



MAR 13 2003

TO: Wade F. Horn, Ph.D.
Assistant Secretary for Children and Families

FROM: Janet Rehnquist *Janet Rehnquist*
Inspector General

SUBJECT: Review of Aid to Families with Dependent Children Overpayment Recoveries For the Period July 1, 1996 Through June 30, 2002
Michigan Family Independence Agency, Lansing, Michigan (A-05-02-00060)

As part of the Office of Inspector General's self-initiated audit work, we are alerting you to the issuance within 5 business days of our final audit report related to the recovery of Aid to Families with Dependent Children (AFDC) overpayments by the State of Michigan. We are recommending recovery of approximately \$15.3 million. Copies of the report are attached.

The objective of the review was to determine whether the state properly collected and refunded AFDC overpayments and made appropriate refunds to the Federal Government.

Although the state had systems to identify and collect AFDC overpayments, it did not refund to the Federal Government its proportionate share of those collections. While the state agreed with the data analysis in determining the overpayment amount collected, it believes that the federal guidance on this matter was conflicting and that repayment was not necessary. We believe that the regulations were clear as to what was required of the states for the applicable time period.

The results in Michigan are consistent with reviews completed or underway in other states, which have been reported to you earlier.

If you have any questions or comments about this report, please do not hesitate to call me or Donald L. Dille, Assistant Inspector General, Grants and Internal Activities Division at (202) 619-1175 or through e-mail at ddille@oig.hhs.gov. To facilitate identification, please refer to report number A-05-02-00060 in all correspondence.

Attachment



DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF AUDIT SERVICES
233 NORTH MICHIGAN AVENUE
CHICAGO, ILLINOIS 60601

REGION V
OFFICE OF
INSPECTOR GENERAL

MAR 18 2003

Ms. Nannette M. Bowler, Director
Michigan Family Independence Agency
235 South Grand Avenue, Suite 1514
P.O. Box 30037
Lansing, Michigan 48909

Dear Ms. Bowler:

Enclosed are two copies of the U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG), Office of Audit Services' (OAS) final report entitled "Review of Aid to Families with Dependent Children (AFDC) Overpayment Recoveries for the period July 1, 1996 through June 30, 2002." This review was conducted as part of a nationwide review of AFDC overpayment recoveries in various states. This final report presents the results of our review of AFDC overpayment recoveries by the State of Michigan. A copy of this report will be forwarded to the action official noted below for her review and any action deemed necessary.

Final determination as to actions taken on all matters reported will be made by the HHS action official named below. We request that you respond to the HHS action official within 30 days from the date of this letter. Your response should present any comments or additional information that you believe may have a bearing on the final determination.

In accordance with the principles of the Freedom of Information Act, 5 U.S.C. 552 as amended by Public Law 104-231, OIG, OAS reports issued to the department's grantees and contractors are made available, if requested, to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act which the department chooses to exercise. (See 45 CFR Part 5.) As such, within ten business days after the final report is issued, it will be posted on the world wide web at <http://oig.hhs.gov>. To facilitate identification, please refer to report number A-05-02-00060 in all correspondence.

Sincerely yours,

Paul Swanson
Regional Inspector General
for Audit Services

Enclosures – as stated

Direct Reply to HHS Action Official:
Director, Division of Financial Integrity
Room 702 Aerospace Building
370 L'Enfant Promenade S.W.
Washington, D.C. 20447

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**REVIEW OF AID TO FAMILIES WITH
DEPENDENT CHILDREN
OVERPAYMENT RECOVERIES
FOR THE PERIOD JULY 1, 1996
THROUGH JUNE 30, 2002**

**MICHIGAN FAMILY INDEPENDENCE
AGENCY
LANSING, MICHIGAN**



JANET REHNQUIST
Inspector General

MARCH 2003
A-05-02-00060

EXECUTIVE SUMMARY

OBJECTIVE

The audit objectives were to determine whether the Michigan Family Independence Agency's (state agency) practices for reporting and remitting Aid to Families with Dependent Children (AFDC) overpayment collections were in accordance with federal requirements.

FINDINGS

Although the state agency's practices for collecting AFDC overpayments were generally in accordance with federal requirements, the state agency retained the recovered AFDC overpayments that should have been refunded to the Administration for Children and Families (ACF). The state agency lacks written procedures to ensure that recoveries of AFDC overpayments are treated in accordance with ACF program instructions. Since the state agency's implementation of Temporary Assistance for Needy Families (TANF) in August 1996 through June 30, 2002, the state agency had not refunded the federal share of recovered AFDC overpayments, occurring prior to the state agency's implementation of TANF, in the amount of \$15,289,444. The state agency should implement procedures to ensure that they return the recovered AFDC overpayments to ACF in a timely manner.

The state agency could not readily segregate recoveries pertaining to overpayments which began under the AFDC program. The state agency did not modify its accounts receivable system, after TANF implementation, to allow it to separate these recoveries and relate the recoveries to the appropriate assistance program. The state agency should also perform further analysis of \$6,152,271 of recovered AFDC and TANF overpayments that are not segregated between the two programs and implement methods to separate and refund the federal share of the recoveries pertaining to the AFDC program.

RECOMMENDATIONS

We recommend that the state agency:

- Refund the federal share (\$15,289,444) of identified AFDC overpayment recoveries up through June 30, 2002.
- Review the accounts receivable system on a quarterly basis to determine recoveries to be refunded in accordance with ACF program instructions.
- Perform further analysis of \$6,152,271 in recovered AFDC and TANF overpayments that are not segregated between the two programs and refund the federal share pertaining to the AFDC program.
- Consider implementation of necessary modifications to its accounts receivable system to separate AFDC and TANF overpayment recoveries both by program or occurrence date.

STATE AGENCY COMMENTS

The state agency agrees with the recommendations to implement written procedures for performing quarterly analysis of its records in order to identify and refund collections of AFDC overpayments and to modify its accounts receivable system to separate AFDC and TANF overpayments. However, it disagreed with our recommended refund of \$15,289,444 for the federal share of recovered AFDC overpayments. The state agency believes that it was acting in accordance with Transmittal No. TANF-ACF-PI-99-2, revised May 1, 2000, and should not be penalized for misunderstanding TANF guidance, which was not clarified until September 1, 2000. According to its response, the state has refunded the recovered overpayments of \$3,007,093, which were identified as AFDC related recoveries during fiscal year 2002.

The state agency does not agree with our recommendation to perform further analysis of overpayment collections that contain both AFDC and TANF recoveries (totaling \$6,152,271) and to identify and refund the federal share of AFDC overpayment recoveries. The state agency refers to the TANF clarification and contends that the majority of the recoveries were collected prior to the September 1, 2000 guidance. The state agency ignores the applicability of the AFDC guidance.

OAS RESPONSE

As cited in this report, program instruction issued by ACF on March 9, 1999 (TANF-ACF-PI-99-2) clearly instructed the states regarding their obligation to continue collecting and remitting AFDC overpayments that occurred on or before September 30, 1996.

“...Although the AFDC Program was repealed and replaced with the TANF Program, a number of AFDC overpayments remain outstanding, and the requirement to pursue and recover the remaining uncollected AFDC overpayments remains in place....”

“...In any quarter in which one or more of these overpayments are recovered, the Federal share must be returned to this agency with check made payable to the U.S. Department of Health and Human Services....”

This requirement remained in effect after TANF was implemented. The state agency should not have assumed that the AFDC recoveries could be reprogrammed under the TANF program.

The most recent ACF program guidance for AFDC overpayment collections, dated September 1, 2000, addresses the issue of repayments for overpayments that contain both AFDC and TANF recoveries. The background section for the ACF program instruction (Transmittal No. TANF-ACF-PI-2000-2) states:

“...In situations where a current or former recipient is making repayments for overpayments that occurred both prior to October 1, 1996 under the former AFDC program and after October 1, 1996 either under the AFDC program or the TANF program, the oldest arrearage must be credited first. States must be mindful that the Federal share of all overpayments made prior to September 30, 1996 must be returned by check to ACF....”

Therefore, our recommendations to refund \$15.3 million, to analyze overpayment collections of \$6.2 million containing both AFDC and TANF recoveries, and to identify and refund the federal share of the AFDC overpayment recoveries are valid.

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Glossary of Abbreviations and Acronyms

ACF	Administration for Children and Families
AFDC	Aid to Families with Dependent Children
CFR	Code of Federal Regulations
FMAP	Federal Medical Assistance Percentage
GOV	Government
HHS	Health and Human Services, Department of
OIG	Office of Inspector General
PI	Program Instruction
TANF	Temporary Assistance for Needy Families

INTRODUCTION

BACKGROUND

In 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) repealed the Aid to Families with Dependent Children (AFDC) program and replaced it with the Temporary Assistance for Needy Families (TANF) program. Although the AFDC program was repealed and replaced with the TANF program, the former AFDC requirement for states to pursue and recover uncollected AFDC overpayments remains in place. States must continue to return the federal share of recovered AFDC overpayments that occurred prior to October 1, 1996. Program instruction issued by ACF on March 9, 1999 (TANF-ACF-PI-99-2) clearly instructed the states regarding their obligation to continue collecting and remitting AFDC overpayments that occurred on or before September 30, 1996.

“...Although the AFDC Program was repealed and replaced with the TANF Program, a number of AFDC overpayments remain outstanding, and the requirement to pursue and recover the remaining uncollected AFDC overpayments remains in place....”

...In any quarter in which one or more of these overpayments are recovered, the Federal share must be returned to this agency with check made payable to the U.S. Department of Health and Human Services....”

AFDC and TANF Administration and State Operations

At the federal level, U.S. Department of Health and Human Services, Administration for Children and Families (ACF) administers the AFDC and TANF programs. In Michigan, the AFDC and TANF programs are state supervised and administered by approximately 129 local offices of the Michigan Family Independence Agency (state agency). Michigan implemented the TANF program on August 26, 1996.

The state agency recovers AFDC overpayments from current recipients through a reduction in the recipient's monthly assistance payment, also called recoupments. Recoveries from former recipients are collected primarily through collection notices, lump sum and monthly cash payments, wage garnishments, bank account liens, and offsets to state income tax refunds and lottery winnings.

The state agency is also responsible for refunding the federal share of AFDC recovered overpayments in accordance with applicable regulations.

OBJECTIVES, SCOPE AND METHODOLOGY

The primary objective of our audit was to determine whether state agency practices for reporting and remitting AFDC overpayment collections were in accordance with federal requirements.

Scope

Although our original audit period covered July 1, 1996 through September 30, 2000, we extended it to June 30, 2002 to coincide with the state agency's analysis of its recovery records, performed in response to an ACF program instruction. Our audit was limited to the recovery procedures applicable to AFDC overpayments recorded in the state agency accounting records. We did not evaluate the state agency's procedures for determining the amount of overpayments or the accuracy of these determinations.

Our review of the state agency's internal control structure was limited to areas related to AFDC overpayment recovery activities. In that regard, we obtained an understanding and assessed control risk for the implemented policies and procedures related to federal financial reporting, accounts receivable identification, and collections. Our limited review would not have necessarily disclosed all weaknesses relating to the state agency's overpayment recovery procedures and practices. Except for matters discussed in the FINDINGS AND RECOMMENDATIONS section of this report, we found that items tested were in compliance with applicable laws and regulations.

Methodology

To accomplish our objectives, we reviewed applicable federal laws, regulations, and policies regarding state identification and handling of AFDC overpayments. We reviewed state laws, regulations, policies and procedures, implemented since welfare reform, for collecting, reporting and remitting overpayments. We assessed whether the federal share of recovered AFDC overpayments, occurring prior to the state agency's implementation of TANF, were returned to ACF.

During the course of our audit, the state agency completed an analysis of their internal records to determine the accumulated recoveries of AFDC overpayments occurring prior to the state agency's implementation of TANF. We reviewed the analysis of their records for accuracy and reasonableness.

We conducted our field work at the state agency central offices in Lansing, Michigan from April 2002 through October 2002. We provided the state agency a draft report for comment on November 27, 2002. The state agency's relevant comments are summarized after each finding, while written comments, in their entirety, are appended to this report (see Appendix).

Our audit was conducted in accordance with generally accepted government auditing standards.

FINDINGS AND RECOMMENDATIONS

Although the state agency's practices for collecting AFDC overpayments were generally in accordance with federal requirements, the state agency retained the recovered AFDC overpayments that should have been refunded to ACF. Since the state agency's implementation of TANF in August 1996 through June 30, 2002, the state agency had not refunded the federal share of recovered AFDC overpayments (\$15,289,444), occurring prior to the state agency's implementation of TANF. The state agency should implement procedures to ensure that the recovered AFDC overpayments are returned to ACF in a timely manner. The state agency should also perform further analysis of \$6,152,271 in recovered AFDC and TANF overpayments that are not readily segregated between the two programs and implement methods to separate the recoveries and refund the federal share pertaining to the AFDC program.

RECOVERED AFDC OVERPAYMENTS DUE TO ACF

ACF Program Instructions

Although ACF had instructed the states to continue recovering AFDC overpayments, many states did not forward the recoveries to ACF. On September 1, 2000, ACF issued a TANF Program Instruction, delineating state responsibilities to recover AFDC and TANF overpayments and to return the AFDC overpayment recoveries to ACF. The ACF Program Instruction, TANF-ACF-PI-2000-2, Paragraph 1, states:

“...For recoveries of former AFDC program overpayments **made before October 1, 1996** (emphasis added), States are required to repay to the Federal government the Federal share of these recoveries. These rules apply regardless of the fiscal year in which the recoveries are collected and received by the State. The Federal share of these recovered overpayments must be calculated by multiplying the total amount recovered by the Federal Medical Assistance Percentage (FMAP) rate in effect for the State during fiscal year 1996....”

The ACF Program Instruction, TANF-ACF-PI-2000-2, Paragraphs 1C and 1D, continues:

“...States that have not been properly tracking recovery of AFDC overpayments that occurred prior to October 1, 1996 must perform an analysis of their accounts receivable systems to identify all such recoveries received both via recoupment of AFDC or TANF benefits and via cash collections. Upon completion of such analysis, the Federal share of the accumulated amounts recovered should be remitted to ACF via check. Both of these processes should be completed no later than December 31, 2000. Once States have become current with past due remittances, checks should be submitted to ACF no less frequently than quarterly...”

Retained AFDC Overpayment Recoveries

Since TANF implementation, the state agency continued to receive AFDC overpayment recoveries but did not refund the AFDC recoveries to ACF. Under the AFDC program and until TANF implementation, the state agency routinely recovered overpayments and credited them on the quarterly Form ACF-231, Aid to Families with Dependent Children Program Financial Report. Although the previous reporting of AFDC overpayment recoveries on the ACF-231 effectively reduced the current year draw-down capability, the TANF quarterly reports do not accommodate adjustments for AFDC recoveries. Since the previously utilized Form ACF-231 was no longer required and the state agency did not implement alternative reporting procedures, AFDC overpayments were not compiled, reported, or refunded.

During the course of our review, the state agency completed the required analysis of its internal records to determine the accumulated recoveries of AFDC overpayments occurring prior to the state agency's implementation of TANF. The results of the state agency's analysis indicate that the accumulated amount was \$26,932,260 (federal share \$15,289,444). These AFDC recoveries were collected from August 26, 1996 through June 30, 2002 but were not returned to ACF.

Recommendations

We recommend that the state agency:

- Refund \$15,289,444 for the federal share of recovered AFDC overpayments, occurring prior to the state agency's implementation of TANF; and
- Implement written procedures to perform a quarterly analysis of its internal records to identify and refund collections of AFDC overpayments that occurred before the state agency's implementation of TANF.

State Agency Comments

In a letter dated January 8, 2003, the state agency disagreed with our recommended refund of \$15,289,444 by stating that it acted in good faith by following an earlier ACF program instruction (Transmittal No. TANF-ACF-PI-99-2, revised May 1, 2000) and offsetting AFDC overpayment recoveries against TANF program expenditures. The state agency believes that federal share of refunds of AFDC overpayment recoveries should be limited to amounts collected on or after the issuance of the most recent clarification of ACF guidance for AFDC overpayment collections (Transmittal No. TANF-ACF-PI-2000-2, dated September 1, 2000). In its response to this report, the state agency stated that it made a refund of \$3,007,093 to ACF for the federal share of recovered AFDC overpayments for the fiscal year ended September 30, 2002, and agreed to implement a system-generated report identifying AFDC overpayment recoveries and to make future quarterly refunds of AFDC overpayment recoveries. Although the state agency agreed

that refunds are appropriate after the September 2000 guidance, it did not disclose the amount that should have been refunded for the fiscal year ended September 30, 2001.

OAS Response

The requirements under the former AFDC program regarding the collection of overpayments and the remittance of the federal share have been clearly defined and remain in effect after TANF was implemented. The state agency should not have assumed that the AFDC recoveries could be reprogrammed under the TANF program. Although the state agency based its position on a May 2000 revision of an ACF program instruction, it ignored the initial guidance provided by that instruction in March 1999. The initial guidance confirmed what the states should have been doing the two preceding years by stating that the federal share of AFDC overpayments made on or before September 30, 1996, must be returned by check to HHS. Since neither the May revised instruction nor an additional September revision changed the requirement, our recommendation to refund \$15.3 million is valid.

UNSEGREGATED AFDC AND TANF OVERPAYMENTS

Applicable Criteria

Title 45 of the Code of Federal Regulations, paragraph 233.20(a)(13)(v) requires:

“...The State must maintain information on the individual and total number and amount of overpayments identified and their disposition for current and former recipients...”

AFDC Overpayment Recoveries Due to ACF

The state agency could not readily segregate overpayment recoveries in which the related overpayment began under the AFDC program but ended under TANF. Although the state agency can accumulate total overpayment amounts and recoveries, the entry into the state agency's accounts receivable system is not program specific enough to generate a report that segregates the AFDC recoveries from the TANF recoveries. After TANF implementation, the state agency did not modify its accounts receivable system to allow it to separate recoveries and relate them to the appropriate assistance program.

Although the state agency could readily identify most recovered overpayments pertaining solely to the AFDC program, \$6,152,271 in recovered overpayments relates to both the AFDC and TANF programs and requires further analysis in order to determine the AFDC amount to refund to ACF.

Recommendations

We recommend that the state agency:

- Perform further analysis of overpayment collections that contain both AFDC and TANF recoveries, totaling \$6,152,271, and identify and refund the federal share of AFDC overpayment recoveries; and
- Consider implementation of necessary modifications to its accounts receivable system to separate AFDC and TANF overpayment recoveries both by program or occurrence date.

State Agency Comments

Based on the previously cited disagreement on the applicability of overpayment recovery and refund guidance, the state agency disagreed with our recommendation to analyze overpayment collections pertaining to both AFDC and TANF recoveries (totaling \$6,152,271) and to identify and refund the federal share of AFDC overpayment recoveries. The state agency contends that it was not instructed to capture the overpayment recoveries based on the specific date of the overpayment and believes that most of these recoveries were collected prior to the September 2000 clarification. For future recoveries, the state agency did agree to implement necessary modifications to its accounts receivable system to separate AFDC and TANF overpayment recoveries both by program and occurrence date.

OAS Response

The most recent ACF program guidance for AFDC overpayment collections addresses the repayment of overpayments that contain both AFDC and TANF recoveries. The background section of ACF program instruction (Transmittal No. TANF-ACF-PI-2000-2, dated September 1, 2000) clearly states:

“...In situations where a current or former recipient is making repayments for overpayments that occurred both prior to October 1, 1996 under the former AFDC program and after October 1, 1996 either under the AFDC program or the TANF program, the oldest arrearage must be credited first. States must be mindful that the Federal share of all overpayments made prior to September 30, 1996 must be returned by check to ACF....”

Therefore, our recommendations to analyze overpayment collections, containing both AFDC and TANF recoveries and totaling \$6,152,271, and to identify and refund the federal share of AFDC overpayment recoveries are valid.

APPENDIX



JENNIFER M. GRANHOLM
GOVERNOR

APPENDIX
STATE OF MICHIGAN Page 1 of 3
FAMILY INDEPENDENCE AGENCY
LANSING



NANNETTE M. BOWLER
DIRECTOR

January 8, 2003

Mr. Paul Swanson
Regional Inspector General for Audit Services
U.S. Department of Health and Human Services
Office of Audit Services
233 North Michigan Avenue
Chicago, Illinois 60601

Dear Mr. Swanson:

Subject: Response to the Draft Report
A-05-02-00060
Review of Aid to Families with Dependent Children Overpayment Recoveries
for the Period of July 1, 1996, through June 30, 2002

Enclosed is the response to the draft report of the Review of Aid to Families with Dependent Children Overpayment Recoveries. If you have any questions, please contact Cindy Osga, audit specialist, at 517-335-4087 or OsgaC@michigan.gov.

Sincerely,

Nannette M. Bowler

c: Mark Jasonowicz
Mike Scieszka
Jim Nye
Janet Strobe
Rita Barker
John Sorbet
Russ Hecko
Joan Rouleau
Lilia Denney
Deborah Christopherson
Luci Stibitz
Cindy Osga

United States Department of Health and Human Services
Office of the Inspector General, Office of Audit Services
Review of AFDC Overpayment Recoveries
01/01/1996 through 06/30/2002
Response to the Draft Report

Finding 1: Recovered AFDC Overpayments due to Administration for Children and Families

Recommendation We recommend that the State agency refund \$15,289,444 for the Federal share of recovered AFDC payments, occurring prior to the State agency's implementation of TANF.

FIA Response FIA does not concur with the recommendation. PRWORA, Section 116(b)(3), stated, *Each state shall complete the filing of all claims under the State plan (as so in effect) within two years after the date of the enactment of this Act.* Because the State reported overissuance recoveries through the claim process, it concluded that no separate reporting was required after the final claim period of two years. It did, however, continue offsetting the collections through the TANF program recognizing the need to report the collections to the federal funding source through the new public assistance program claim process. FIA concluded it correctly reported the overissuance claims when Transmittal No. TANF-AFC-PI-99-2 (revised May 1, 2000) was issued.

Given the conflicting policies, FIA acted in good faith based on what seemed to be a reasonable approach on crediting or identifying collections against the TANF program. The State's approach complied with Transmittal No. TANF-ACF-PI-99-2 (revised May 1, 2000). The audit report does not mention this, nor the differing policy approaches provided by ACF. The ACF transmittals of May 1, 2000, and September 1, 2000 (TANF-ACF-PI-2000-2), recognize the differing approaches by stating that *recoveries made prior to the date of this transmittal will be evaluated on reasonable interpretation of statutory requirements or any previous guidance provided by ACF.*

FIA believes the all repayments must be limited to AFDC collections received on or after ACF's September 1, 2000, transmittal.

Based upon the final ACF policy, FIA refunded \$3,007,093 for the federal share of recovered AFDC overpayments for the fiscal year ended September 30, 2002.

Recommendation We recommend that the State agency implement written procedures to perform a quarterly analysis of its internal records to identify and refund collections of AFDC overpayments that occurred before the State's implementation of TANF.

FIA Response A request has been made for a system generated report which will allow FIA to separate the recoveries into three categories (AFDC, TANF, mixed). The instructions for using this report will be incorporated into the TANF desk guide. Until the system generated report is available, FIA will continue to utilize the process to compute amount owed to HHS for the fiscal year ended September 30, 2002, overissuance recoveries. The system generated report is expected to be available for the second quarter of the current fiscal year. AFDC collections will be remitted on a quarterly basis.

Finding 2: Unsegregated AFDC and TANF Overpayments

Recommendation We recommend that the State Agency perform further analysis of overpayment collections that contain both AFDC and TANF recoveries, totaling \$6,152,271, and identify and refund the Federal share of AFDC overpayment recoveries.

FIA Response FIA disagrees with the recommendation. ACF did not provide instructions to the State agencies until September 1, 2000, that AFDC overissuance recoveries were to be

United States Department of Health and Human Services
Office of the Inspector General, Office of Audit Services
Review of AFDC Overpayment Recoveries
01/01/1996 through 06/30/2002
Response to the Draft Report

returned. The amount of \$6,152,271 represents a mix of TANF and AFDC overissuance recoveries, which for the most part, were collected prior to September 1, 2000. The State did not receive instruction to capture the overissuance recoveries based on the specific date of overissuance which would allow it to determine if a recovery is related to AFDC or TANF.

Recommendation We recommend that the State agency consider implementation of necessary modifications to its accounts receivable system to separate AFDC and TANF overpayment recoveries both by program or occurrence date.

FIA Response FIA can create separate overissuance categories for new overissuance establishments which will allow ARS to identify AFDC and TANF overissuance recoveries.

Collections from existing establishments from the period including both TANF and AFDC overissuance recoveries will be allocated based on the known TANF and AFDC collections.