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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 92 LCM-88

Date: June 16, 1992

Division: Administration

TO: Local District Commissioners

SUBJECT: SFY 1992-1993 Budget Highlights

ATTACHMENTS: 1) Home Energy Assistance (HEA) SFY 1992-93 State Share
Cap (available on-line)

2) 1992-93 Aid to Localities, Cap on Administration-
Exempt Areas (available on-line)

The purpose of this memorandum is to provide highlights for local districts of the recently completed State budget process for SFY 1992-1993. Included are items which were enacted in the State Budget as well as a few which were proposed but not enacted.

Cap on Administration - The cap is continued on administrative reimbursement for the determination of recipient and applicant eligibility and benefit payments for the Income Maintenance, Medical Assistance and Food Stamp programs. Reimbursement can not exceed that made in the 1991-1992 State Fiscal Year. Exempt activities are permitted similarly to past years. The budget language is contained in attachment two. The cap will be effective for 1992 calendar year claims plus any supplementals settled during SFY 1992-1993. The district specific caps for SFY 1992-93 have not been finalized.

Foster Care Cap - State reimbursement for foster care maintenance, administration and tuition will be capped. Pursuant to a plan submitted by the local districts, savings under a county cap may be used by a local DSS as the State and local share of new initiatives. The cap applies to calendar year 1992 maintenance and tuition claims and October 1991-September 1992 claims for administration, as well as any claims for prior periods settled during these time periods. Claims for JD's and PINS are excluded from the cap.

CSE Maintenance Responsibility - The budget language provides funds for CSE reimbursement only through June 30, 1992. There is no language requiring the State Education Department to assume this responsibility effective July 1, 1992. A technical amendment will be required to provide funding for the balance of the 1992-1993 State Fiscal Year. Effective April 1, 1992, claims for Foster Care must be submitted for State reimbursement within twenty two months of the date of expenditure.

Title XX State Share - The Title XX State match has been eliminated in the Budget as enacted. As it now stands, local districts must decide whether they will continue to provide the same level of service without the State match. This provision becomes effective for claims submitted for October, 1991. Title XX expenditures will be reimbursed at 100% Federal share up to the Title XX allocation.

Preventive Services - The requirement that local districts must use 24% of their Title XX allocation for preventive services is continued (Preventive MOE).

Title XX Overclaim - Funds have been appropriated to expedite the payment of the State share for the Title XX overclaim. December, 1992 advances are planned to provide seventy-five percent of the estimated amount of the overclaim. Additional advances are planned for March, 1993 to provide the remaining, estimated, twenty-five percent. These advances will relate to Federal Fiscal Year 1991-92 claims normally settled in the State Fiscal Year 1993-94. The payment schedule is tentative and is subject to change. Non-Title IV-E Foster Care expenditures have been excluded from the shift due to their inclusion as a component of the Foster Care cap. As such, Non-Title IV-E administrative expenditures will be reimbursed at 50% State share effective with the 10/91 claim.

Forty-five Day Hiatus on HR Eligibility - State share of HR benefits will not be available until 45 days have elapsed since application. Emergency needs will continue to be met.

New NYS Residents - HR - New State residents will receive the higher of 80% of the HR grant or the grant amount from the State of previous residence.

Home Energy Allowance Elimination - The additional State reimbursement claimed via the Schedule RF-5, (Adjustment Claim for Additional State Aid on Expenditures for Energy Grants) will no longer be available. Additionally, the traditional State share of the HEA has been capped at SFY 1991-1992 expenditure levels. The local share requirement is effective with October, 1991 payments to clients. Attached is each local district's share of the cap.

Adoption Services - The State reimbursement rate (after Federal funding) for adoption services will remain at seventy-five percent and not be reduced to sixty-five percent, as the Executive Budget proposed. A technical amendment to the budget language must be processed in order to clarify the seventy-five percent State share language in all parts of the Aid to Localities budget.

Chargebacks - The budget language continues the charging of the local districts' share for: fair hearings, legal services for the disabled, child support enforcement activities, audit contracts and up to two million dollars for State staff activities that reduce State and local expenditures by increasing FFP.

ADC Fraud Activities (Including FEDS) - The Department will be taking the required steps to access 75% Federal reimbursement for ADC fraud and abuse activities. Additionally, FEDS (Front End Detection System) will be mandated, statewide.

Managed Care Grants - The budget contains \$4 million State share for the purpose of providing grants for planning and development of managed care programs. These grants, currently claimed via the DSS-3922, Financial Summary for Special Projects, are exempt from the State cap on administration. Upon plan approval, and by virtue of the claiming process, these costs will be exempt from the cap on administration, thereby negating the requirement to file for an exemption to the cap.

Separate releases will be issued which will provide greater detail on these initiatives. Should you have any questions regarding the financial impact of these provisions, please call Upstate - Mr. Roland Levie at 1-800-342-3715, extension 4-7549 or Metropolitan - Mr. Marvin Gold at (212) 804-1108 (OA USER ID OFM270).

Nelson Weinstock
Deputy Commissioner
for Administration

Home Energy Assistance (HEA)
SFY92 State Share Cap

<u>District</u>	RF-5 <u>State Share</u> <u>10/90-09/91</u>	<u>% to</u> <u>Total</u>	HEA <u>State Share</u> <u>Cap</u>
Albany	\$ 377,380	.0076868	\$ 407,400
Allegany	136,711	.0027846	147,586
Broome	332,492	.0067725	358,941
Cattaraugus	158,131	.0032209	170,710
Cayuga	136,021	.0027706	146,841
Chautauqua	335,034	.0068243	361,685
Chemung	196,473	.0040019	212,102
Chenango	69,950	.0014248	75,514
Clinton *	126,266	.0025719	136,310
Columbia	74,114	.0015096	80,010
Cortland	86,692	.0017658	93,588
Delaware	72,171	.0014700	77,912
Dutchess	240,597	.0049007	259,736
Erie	2,454,655	.0499985	2,649,918
Essex	65,997	.0013443	71,247
Franklin	89,685	.0018268	96,819
Fulton	100,567	.0020484	108,567
Genesee	52,553	.0010704	56,733
Greene	54,437	.0011088	58,767
Hamilton	2,356	.0000480	2,543
Herkimer	66,440	.0013533	71,725
Jefferson	184,899	.0037662	199,607
Lewis	34,680	.0007064	37,439
Livingston	85,414	.0017398	92,209
Madison	55,760	.0011358	60,196
Monroe	2,039,813	.0415486	2,202,076
Montgomery	67,937	.0013838	73,341
Nassau	602,566	.0122736	650,499
Niagara	468,571	.0095442	505,845
Oneida	458,698	.0093431	495,187
Onondaga **	871,233	.0177460	940,538
Ontario	125,374	.0025537	135,347
Orange	418,086	.0085159	451,344
Orleans	75,608	.0015400	81,622
Oswego	176,329	.0035916	190,356
Otsego	43,829	.0008927	47,316
Putnam	24,666	.0005024	26,628
Rensselaer	229,065	.0046658	247,287
Rockland	227,664	.0046373	245,774
St. Lawrence	243,148	.0049526	262,490
Saratoga	75,452	.0015369	81,454
Schenectady	207,849	.0042336	224,383
Schoharie	33,900	.0006905	36,597
Schuyler	27,081	.0005516	29,235
Seneca	25,284	.0005150	27,295

Home Energy Assistance (HEA)
SFY92 State Share Cap

<u>District</u>	RF-5 State Share <u>10/90-09/91</u>	% to <u>Total</u>	HEA State Share <u>Cap</u>
Steuben	\$ 176,434	.0035938	\$ 190,469
Suffolk	1,399,193	.0284999	1,510,496
Sullivan	102,901	.0020960	111,087
Tioga	66,897	.0013626	72,219
Tompkins	116,156	.0023660	125,396
Ulster	187,625	.0038217	202,550
Warren	43,913	.0008945	47,406
Washington	59,622	.0012144	64,365
Wayne	131,419	.0026769	141,873
Westchester	1,530,382	.0311721	1,652,121
Wyoming	29,920	.0006094	32,300
Yates	37,516	.0007642	40,500
TOTAL UPSTATE	\$15,913,606		\$17,179,501
NYC	33,181,007	.6758584	35,820,499
TOTAL STATE	\$49,094,613		\$53,000,000

* Used 10/88-09/89

** Used 09/90-08/91

Bureau of Local Financial Operations
Claims Unit
4/30/92

Aid to Localities 1992-93

Department of Social Services

General Fund - Local Assistance Account

For state reimbursement of local administrative expenses for income maintenance programs pursuant to section 153 of the social services law and employment related and supportive services authorized under the job opportunities and basic skills training program. Notwithstanding sections 153, 368-a and subdivision 6 of section 95 of the social services law, state reimbursement of aggregate local administrative costs for the determination of recipient and applicant eligibility and benefit payments for the income maintenance, medical assistance, and food stamp programs shall not exceed aggregate statewide reimbursement for such purposes in the 1991-92 State fiscal year. The amount herein appropriated for reimbursement of local administration shall be distributed in a similar fashion to reimbursement for the 1991-92 State fiscal year. In establishing individual district allocations, the department shall reduce such allocations by the amount of expenditures associated with food stamp and/or public assistance benefit issuance that were formerly paid directly by such districts but are currently reimbursed under the alternative food stamp issuance process. Costs of revenue maximization, cost containment, employment and training services, Indian services, activities related to implementing managed care program, corrective action efforts necessary to reduce public assistance error rates, fraud and abuse detection and case management services provided under title 4-B of article 6 of the social services law shall be exempt from the reimbursement limitations set forth herein pursuant to local plans approved by the department. The commissioner, subject to the approval of the director of the budget, shall promulgate regulations governing such local plans and setting forth specific administrative activities that may be exempt from the reimbursement procedures herein.