The purpose of this transmittal is to advise you of a provision of Chapter 59 of the Laws of 1993 which permits districts to request that the Department intercept a portion of audit recovery funds. These funds will be available to districts for reinvestment by the districts specifically and solely to develop and implement PERS and shared aide plans and enroll sufficient providers. A complete explanation of the provisions of Chapter 59 can be found in 93 LCM 51 recently issued to local commissioners.

Specifically, section 67.3.(b) of the legislation states:

"On or before June 1, 1993, a social services district may request the department to intercept and apply such recoveries. If the department determines, based upon such request, that the provision of such funds would enable the district to develop such plans, the department shall intercept such recoveries and advance such recoveries to the district in accordance with this section. ... In determining whether to intercept and directly credit that district with the local share of such recoveries, based upon such request, the department shall evaluate compliance of the district with the mandates of the social services law requiring the development and implementation of such plans for personal emergency response services and shared aides and determine whether the provision of additional funds would enable the district to develop such plans, enroll sufficient providers or implement such plans."
Funds made available for reinvestment are not new monies. The funds represent the districts' share of audit recoveries which would be paid to the districts' general fund in the absence of this legislation. Districts may in no way reduce or diminish their efforts or responsibilities for PERS, shared aide or other areas due to interception and targeting of these funds for implementation of PERS and shared aide. Funds intercepted by the Department which are not required by the local district or the Department for development of PERS or shared aide plans will be promptly credited to the district in the usual manner.

Districts requesting intercepts should do so in a letter to this department by June 1, 1993. Requests must include:

a. A brief description of the activities to be performed through the use of these funds.

b. A brief description of how these activities will facilitate the development and implementation of PERS or shared aide plans or enrollment of PERS or shared aide providers.

c. A budget showing how the funds will to be allocated.

Requests should be submitted to:

Barry T. Berberich
Assistant Commissioner
Bureau of Long Term Care
Division of Health and Long Term Care
New York State Department of Social Services
40 North Pearl Street
Albany, NY 12243

Districts may claim Federal reimbursement for 50% of these allocated audit intercepts. For example, if a district requests and receives an audit intercept of $10,000, they may submit a claim for 50% of the intercept, or $5,000, to secure Federal reimbursement. This will result in a further payment to the district's general fund in an amount equal to the Federal share. Instructions for claiming will be issued in a separate transmittal. Questions concerning claiming for upstate districts should be directed to Roland Levie at (800) 342-3715, extension 4-7549, or directly at (518) 474-7549. Metropolitan area districts may contact Marvin Gold at (212) 383-1733.

Proposals which include the use of computer hardware and/or software are subject to the provisions of 90 LCM-107, Required Format for Letters of Intent. Questions concerning this process should be directed for upstate districts to Sharon Richman at (800) 342-3715, extension 4-9417 or direct at (518) 474-9417 and for New York City to Harry Ammian at (800) 342-3715, extension 4-9240, or directly at (518) 474-9240.
In addition, districts should note that the Aid to Localities portion of the budget again includes funding for Innovative Home Care or Medicare Maximization projects. Districts may wish to consider applying for funding from this source to facilitate development and implementation of PERS and/or shared aide plans. A transmittal on these grants will be issued shortly.

Questions concerning this transmittal should be directed to Richard Alexander at (800) 342-3715, extension 3-5506, or directly at (518) 473-5506, fax at (518) 473-4232 or via OFIS Link to DMA037.

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Gregory M. Kaladjian
Acting Commissioner