Chapter 59 of the Laws of 1993 required the Department to develop State share cost savings targets for PERS and shared aide services for each social services district for State fiscal year 1993-94. Districts which failed to develop and implement PERS and/or shared aide plans and did not achieve targeted savings were to be subject to the Department's interception of audit recoveries in an amount sufficient to reimburse the State for the difference between the State share of savings actually achieved by the district and 50 percent of the district's State share cost savings target.

In a letter from Executive Deputy Commissioner Karen Schimke dated April 18, 1994, you were advised that, due to your diligence in pursuing efficiencies in your home care programs, the savings required by the statute had been achieved and it would not be necessary for the Department to intercept audit recovery funds.

In recognition of your efforts, legislation, enacted as Section 470 of Chapter 170 of the Laws of 1994 provides as follows:
"Notwithstanding any provision of law to the contrary, the department of social services shall not impose any administrative or fiscal penalty against a social services district, nor shall any social services district's local share of medical assistance audit recoveries or other recoveries be paid to the state general fund, on account of such district's failure to achieve the state share medical assistance cost savings target for such district, which was to be achieved as a result of the district's development and implementation of personal emergency response services and shared aide plans, as established by the department pursuant to section 67 of chapter 59 of the laws of 1993."

I would like to take this opportunity to thank you for your efforts and congratulate you on the success you have achieved. I hope you will continue to pursue the use of efficiencies such as PERS and shared aide in your home care programs.

Please contact Richard D. Alexander at (518) 473-5506 (DMA037) with questions concerning this transmittal.

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Sue Kelly
Deputy Commissioner
Division of Health & Long Term Care