

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

(916) 924-2836



May 16, 1983

ALL-COUNTY LETTER NO. 83-44

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: INTEGRATED EARNINGS CLEARANCE/FRAUD DETECTION SYSTEM

REFERENCE: ALL COUNTY INFORMATION NOTICE 1-05-83 DATED JANUARY 10, 1983 AND
ALL COUNTY LETTER NUMBER 83-11 DATED FEBRUARY 28, 1983

The State Department of Social Services (SDSS) recently released to counties the data submission requirements for the Integrated Earnings Clearance/Fraud Detection System (IEC/FDS). As indicated in ACIN 1-05-83, one purpose of this system is to identify and provide counties a listing of recipients erroneously participating in the Food Stamp Program because of their receipt of Supplemental Security Income (SSI) benefits. This will be accomplished by matching data from IEC/FDS against the State Data Exchange file.

In order for us to provide counties a valid list of potential ineligible, the Social Security Numbers (SSNs) and other data elements submitted to the State should only be those of persons participating in the Aid to Families with Dependent Children (AFDC) and/or Food Stamp Program. (This does not preclude counties from submitting discontinued AFDC and food stamp cases, or other assistance cases such as General Assistance.) State welfare regulations allow for the use of an authorized representative payee. Since such "payees" may be non-household members receiving SSI and not AFDC/Food Stamp recipients, counties should not include their SSNs within the tape or hard copy information sent to the State for the operation of IEC/FDS. However, the payee name can be included as part of an eligible individual's record in the "care of, payee, case name" field. If these SSNs are submitted any place else, the system will erroneously identify AFDC/Food Stamp/SSI ineligible, resulting in unnecessary county follow-up action.

The IEC/FDS system will also have the information from the existing Duplicate Aid Detection System (DADS) incorporated on a quarterly basis, rather than semi-annually, to identify those situations where multiple cash grants and/or multiple issuance of food stamps may have occurred. Lastly, the IEC/FDS will perform the

standard earnings clearance check with Employment Development Department. Then, an earnings comparison (EDD earnings vs recipient reported earnings) will be made to identify discrepancies between recipient and employer reported income.

The results of all three phases of the IEC/FDS will be provided to the counties on a case by case basis, using a modified ECS 155 format. The revised ECS 155 will include a turn-around document so counties can provide feedback data to satisfy the statistical reporting needs of the department.

The date for submission of the required data to operate the IEC/FDS is July 1, 1983. Counties should be aware of the potential consequences of not complying with this requirement. Specifically, the State has received strong pressure from Food and Nutrition Service/Western Region Office (FNS/WRO) to implement this system on a timely basis. Moreover, based on several audits and reviews by various federal agencies, it is apparent that wage matching is a number one federal priority. Those counties failing to comply with the wage match requirements risk the possibility of fiscal sanction. Further, because of error rate sanctions in the Food Stamp and AFDC Programs, it is critical that counties implement this tool for detecting and deterring recipient-caused overpayments/overissuances.

Since the Department is in the development and programming stage and facing a very tight deadline for processing, we need to know what your county has elected to submit and what you want returned to you for processing (beginning with the January-March 1983 data base which you will be submitting July 1, 1983). Please answer the attached questionnaire and return it by May 27, 1983 to:

State Department of Social Services
Fraud Program Management Bureau
744 P Street, M.S. 19-26
Sacramento, CA 95814

Attached is one suggested approach to assist counties with automated files which lack certain data elements (Attachment II). The Department is also working to develop a system to minimize future manual county updates to the file. As soon as we have more information, we will inform you.

If you have any questions or need any additional information, please contact Mike Back or Gary Scriven in the Fraud Program Management Bureau at (916) 924-2836.



JOSEPH A. KELLY
Deputy Director
Audit and Review Division

Attachments

cc: CWDA

INTEGRATED EARNINGS CLEARANCE/FRAUD DETECTION SYSTEM (IECS/FDS)

IMPLEMENTATION QUESTIONNAIRE

1. County name: _____
2. Does the county intend to submit closed cases?
 Yes No
3. Will the quarterly gross earnings information be submitted on a:
- | | <u>Case Basis</u> | <u>Person Basis</u> |
|-------|-------------------|---------------------|
| AFDC | _____ | _____ |
| NA/FS | _____ | _____ |
| OTHER | _____ | _____ |
4. When data is returned to your county, do you plan to follow up on closed cases?
 Yes No
5. Does your county wish to receive the IECS/FDS output on:
- a. Magnetic tape _____
- b. Printed documents _____
- (modified ECS 155)

In order to determine the county options in regard to receiving and processing mismatched data from the IECS/FDS system, the following definition should be used to answer questions 6 and 7:

- a. For the Duplicate Aid Detection and State Data Exchange match segments, the term "matched" means there was a county-submitted record(s) that had one or more matching records that matched on SSN, Sex, DOB \pm 24 month and the first five characters of the last or the first three of the first name. The term "mis-matched" means there was a county and SDX or other county record(s) that matched on at least SSN but not on all of the other three criteria (Sex, DOB \pm and name). Therefore, if mis-matches are requested, you will receive all records containing that same SSN.

b. For the Earnings Clearance segment, the terms "matched" means there was a county-submitted record(s) that had one or more matching wage record(s) that matched on SSN and the first five characters of the last name or the first character of the first name. These are the only records that will be processed for wage discrepancies. The term "mis-matched" means there was a county-submitted record(s) that had one or more matching wage record(s) that matched on SSN only. Although "mis-matched" records will not be subject to the discrepancy level program, they will be sent upon county request. They will contain all current EDD information.

c. For the Earnings Clearance segment, the term "discrepancy level" means the difference between EDD wage data and recipient reported wages.

6. Does your county want the mis-matched cases returned to your county for processing beginning with the: (check appropriate entries)

	1st Qtr (Jan-Mar)	2nd Qtr (Apr-June)	3rd Qtr (July-Sept)	4th Qtr (Oct-Dec)	Not at this time
a. DADS mis-matches	_____	_____	_____	_____	_____
b. SDX mis-matches	_____	_____	_____	_____	_____
c. ECS mis-matches	_____	_____	_____	_____	_____

7. Is your county experiencing any significant problems that will prevent the county from meeting the July 1, 1983 deadline?

Yes No

If yes, explain.

Person Completing Questionnaire: _____

Title: _____

Date: _____

Counties that use data processing equipment with magnetic tape capabilities but have an incomplete data base (lacking one or more data elements per ACL 83-11) may wish to use the following procedures:

1. Extract onto computer tape from the county's master file the case file data to be submitted to the State.
2. Identify on a printout (or card) each case with missing data elements via a printed message indicating the missing elements.
3. Forward the printout to the proper EW who would obtain the missing data (such as income) from the case record and record it on the printout (card).
4. Return the printout (card) to the county data processing unit for key data entry and a match/merge with the initially developed computer file for submission to the State.