



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES

JAN - 3 2019

The Honorable Eugene A. DePasquale
Auditor General
Department of the Auditor General
229 Finance Building
Harrisburg, Pennsylvania 17120

Dear Mr. DePasquale:

Thank you for your July 10, 2018 letter in which you provided the audit report titled Department of Human Services, Department of Community and Economic Development, Energy Conservation and Assistance Programs (LIHEAP and Weatherization). In accordance with your transmittal letter and Act 44 of 2017, this letter details the adoption of the recommendations contained in the audit report related to LIHEAP.

The finding and three recommendations, along with the Department of Human Services' (DHS) initial response and the status of the adoption of each recommendation, are listed below:

Finding 1: The monitoring of LIHEAP by DHS appears to be effective, but improvements in determining the proper benefit amounts are needed.

DHS Response: DHS agrees with this finding.

Recommendations for Finding 1:

You recommended that DHS:

1. Consider strengthening its policy for supervisory review procedures at the CAO level.
2. Evaluate possible enhancements to the DHS computer systems used in LIHEAP to reduce the potential for errors, especially as related to issuing multiple LIHEAP benefits to the same address (household).
3. Reinforce the following topics within the DHS and CAO staff training sessions:
 - Determination of household size/composition
 - Verification of SSNs
 - Identification of potential multiple cash payments to the same individual or the same address (household)
 - Cancellation of payments

DHS Response to Recommendation 1: We will review the supervisory review procedures and make any adjustments necessary to strengthen the process. However, supervisory review during the evaluation of an application (i.e., prior to approval) is not feasible given the volume of energy assistance applications received each season.

Current Status: DHS' Office of Income Maintenance, Division of Corrective Action is proposing training for LIHEAP coordinators, CAO Executive Directors, and/or designated management staff as follows:

- Rushmore Case Review System Training – specifically for LIHEAP
- LIHEAP Database training
- Annual Error Prevention Plan, LIHEAP overview, and LIHEAP memo

The LIHEAP coordinators would then be able to train the LIHEAP staff at their local offices.

DHS Response to Recommendation 2: DHS is considering system modifications to temporarily prevent the continued processing of an application when it lists an address or individual that was on a previously processed application until the Energy Assistance Worker or Income Maintenance Caseworker reviews and clears the notification. Due to the timing of the audit results, a system modification could not be developed, tested and implemented for this season, but will be considered for the 2019-2020 LIHEAP season based on the cost-effectiveness of a system modification, as well as the consideration of alternative measures.

Current Status: DHS has created a Change Request (CR) that would have the system consider the household address when running LIHEAP eligibility. Ongoing discussions are being held to determine the feasibility of this CR and if it may potentially impact other benefits, since the Client Information System (CIS) is used for Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), and Medical Assistance, in addition to LIHEAP. DHS is also considering the cost impacts for this CR and whether emphasizing this issue through training is a more cost-effective means of addressing this recommendation.

DHS Response to Recommendation 3: DHS will develop and deliver training to its Energy Assistance Workers and Income Maintenance Caseworkers that emphasizes the importance of reviewing and resolving system-generated notifications that indicate another case exists with the same address as part of the eligibility review process. This module will be included in the training that precedes the 2018-2019 LIHEAP season. In addition, DHS will direct its LIHEAP monitoring contractor to identify and review cases that exhibit the same characteristics used by the auditors in their sampling to determine the effectiveness of the training.

The Honorable Eugene A.
DePasquale

-2-

Current Status: The following topics were covered in the 2018-2019 LIHEAP training sessions for DHS and CAO staff:

- Determination of household composition
- Verification of Social Security numbers
- Identification of potential multiple cash payments to the same individual or the same address (household)
- Cancellation of payments

This training began on August 20, 2018 and concluded prior to the start of the LIHEAP season.

Thank you for the opportunity to provide an update to our response to this audit report. If you have any questions or would like to discuss this further, please contact Mr. David R. Bryan, Manager, Audit Resolution Section, Bureau of Financial Operations, at (717) 783-7217 or davbryan@pa.gov.

Sincerely,



Teresa D. Miller
Secretary

c: Mr. David R. Bryan