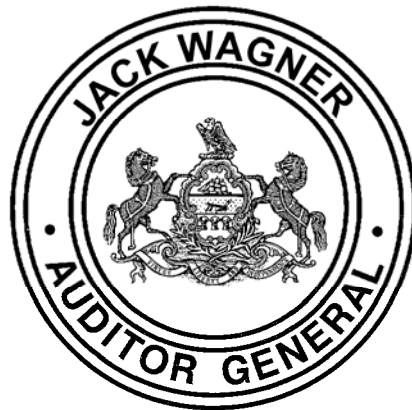


Commonwealth of Pennsylvania  
Department of Public Welfare's  
Medicaid Program

***Juniata County Assistance Office***

Audit Report for the Period  
November 18, 2006 to June 5, 2009





Commonwealth of Pennsylvania  
Department of Public Welfare's  
Medicaid Program

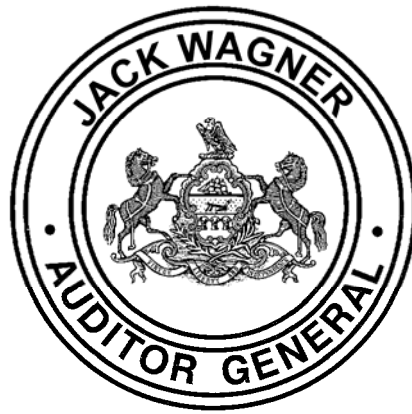
*Juniata County Assistance Office*

Audit Report for the Period  
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## **Report of Independent Auditors**

The Honorable Tom Corbett  
Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania 17120

Dear Governor Corbett:

We have conducted an audit of the Juniata County Assistance Office (CAO) pursuant to Section 109.1 of Title 55 of the Pennsylvania Code and Sections 402 and 403 of the Fiscal Code. The audit period was November 18, 2006 through June 5, 2009. The objective of our audit was to determine whether the CAO made proper eligibility determinations for recipients of Medicaid.

When recipients are not eligible for Medicaid, the cost to Pennsylvania taxpayers of the resulting improper payments could be significant. For individuals receiving health care services through a managed care organization (MCO), a set monthly capitation fee is paid to the MCO even if the recipient did not receive services during the period of ineligibility. For individuals not in an MCO, the amount of improper payments depends on the cost of services received by individuals during periods of ineligibility.

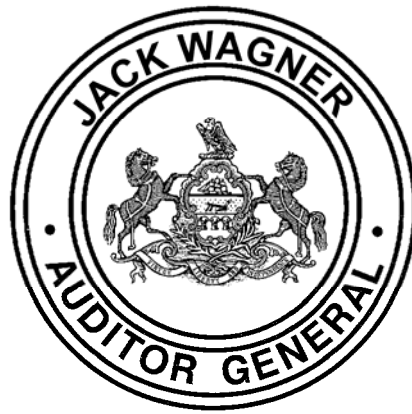
As a result of our audit, we determined that no deficiencies existed that would warrant a finding or observation in this audit report.

During the exit conference, we reviewed the audit results with the Juniata CAO management. We have included the CAO and DPW management comments, where applicable, in this report.

Sincerely,

JACK WAGNER  
Auditor General

October 3, 2011





**Commonwealth of Pennsylvania  
Department of Public Welfare  
Juniata County Assistance Office**

**BACKGROUND INFORMATION**

## ***Background Information***

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Medicaid, also known as DPW's medical assistance program is the federal health care program for families and individuals with low income and resources. It is funded jointly by the state and the federal governments. DPW administers the program while the federal Centers for Medicare and Medicaid (CMS) establishes requirements for service delivery, quality and eligibility standards.

Eligibility determinations are based on federal and state regulations specifying which individuals qualify for a program and the amounts for which they qualify. The Code of Federal Regulations (CFR) contains the applicable federal regulations. The Pennsylvania Code contains the applicable state regulations.

Relevant information about recipients is recorded and maintained in DPW's Client Information System (CIS). This information is used to determine eligibility status and category of aid. The CAO updates information on CIS when new information becomes available.

CAO personnel utilize DPW's Income Eligibility Verification System (IEVS) to compare income and resource information with income and resource information obtained from outside sources. IEVS is updated on a regular basis with information from several sources including wage information from the Department of Labor and Industry, benefit information from the Social Security Administration, and tax and unearned income information from the Internal Revenue Service (IRS). CAO caseworkers are required to review this information at the time of application, when the recipient submits his/her semi-annual reporting (SAR) form and at the annual renewal. Caseworkers receive alerts when they are required to review certain information between the application date, the SAR and at the time of the annual renewal.

**Commonwealth of Pennsylvania  
Department of Public Welfare  
Juniata County Assistance Office**

**OBJECTIVES, SCOPE, AND METHODOLOGY**

## ***Objectives, Scope, And Methodology***

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To achieve our audit objectives regarding eligibility, we obtained a quarterly data file from the Department of Public Welfare of all recipients determined by the CAO to be eligible for Medicaid benefits as of December 31, 2008. We selected a random sample of 135 cases from the 1,228 cases related to our audit objectives for the Juniata CAO represented in the data file. Our audit period was November 18, 2006 to June 5, 2009.

For each case selected in our sample, we tested certain aspects of eligibility, including income, disability, citizenship and identity, and other non-financial eligibility requirements to determine compliance with DPW regulations and administrative policies.

The criteria we used to test cases in our sample include the Code of Federal Regulations and the Pennsylvania Code, Title 55.

It is DPW's position that current law does not allow DPW to provide all federal and state wage and unearned income information to the Department of the Auditor General. Therefore, DPW did not provide all federal and state wage and unearned income information to us. This scope limitation prevents us from confirming that all available resources were included in calculating recipients' eligibility for benefits.

**Commonwealth of Pennsylvania  
Department of Public Welfare  
Juniata County Assistance Office**

**AUDIT SUMMARY**

## ***Audit Summary***

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For the audited period, our audit of the Juniata CAO resulted in no findings.

**Commonwealth of Pennsylvania  
Department of Public Welfare  
Juniata County Assistance Office**

**STATUS OF PRIOR AUDIT FINDINGS**

## ***Status of Prior Audit Findings***

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Our prior audit of the Juniata CAO resulted in no findings.



## ***Audit Report Distribution List***

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This report was originally distributed to the following:

### Commonwealth of Pennsylvania

The Honorable Tom Corbett  
Governor

The Honorable Robert McCord  
State Treasurer

The Honorable Gary Alexander  
Secretary  
Department of Public Welfare

The Honorable Kenya Mann Faulkner  
Inspector General

The Honorable Charles Zogby  
Secretary  
Office of the Budget

Lourdes Padilla, Acting Deputy Secretary  
Office of Income Maintenance  
Department of Public Welfare

Alex Matolyak, Acting Director  
Division of Financial Policy & Operations  
Bureau of Financial Operations  
Office of Administration  
Department of Public Welfare

Rich Wallace, Acting Director  
Bureau of Operations  
Office of Income Maintenance  
Department of Public Welfare

John Kaschak, Director  
Bureau of Audits  
Office of the Budget

### County Assistance Office

Janice Manbeck, Executive Director  
Juniata County Assistance Office

Chairperson  
Juniata County Board of Assistance

This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, PA 17120. If you have any questions regarding this report or any other matter, you may contact the Department by accessing our website at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us).