



**NEW YORK STATE
OFFICE OF TEMPORARY AND DISABILITY**

David A. Paterson
Governor

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ALBANY, NY 12243-0001

David A. Hansell
Commissioner

Informational Letter

Section 1

Transmittal:	08-INF-10
To:	Local District Commissioners
Issuing Division/Office :	Bureau of Audit and Quality Improvement
Date:	May 22, 2008
Subject:	Employment Verifications - Local District Commitment to a Revenue Intercept for Utilization of TALX Corporation eXpress Services under the OTDA Statewide Contract with TALX Corporation
Suggested Distribution:	Temporary Assistance (TA) Directors Food Stamps (FS) Directors Fraud Directors Staff Development Coordinators Fair Hearings Staff
Contact Person(s):	Kathleen Murphy, OTDA/Program Integrity Phone: 518-473-7159 e-mail: Kathleen.Murphy@otda.state.ny.us
Attachments:	Attachment I – Revenue Intercept Letter to Be Returned to OTDA Attachment II – Current List of Counties Using the TALX Corporation’s eXpress Service
Attachments Available On – Line:	Yes

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
06 INF-31 06-INF-13 06-INF-24 06-ADM-13	06 INF-31 06 INF-13				

Section 2

I. Purpose

To obtain the next annual commitment from local departments of social services (LDSSs) for use of the TALX Corporation's eXpress instant employment verification service.

II. Background

Currently, 43 LDSS Commissioners are electing to participate with the New York State Office of Temporary and Disability Assistance (OTDA) in a contract with the TALX Corporation for instant employment verifications. The TALX Corporation is able to provide verifications for over 1,000 employers, including the following:

- Many national employers in high-turnover, low-wage industries such as retail, staffing, hospitality, restaurant and gaming, including, but not limited to: Wal-Mart, Walgreen's, CVS, JC Penney, Sears, Domino's Pizza, Costco, Marriot International and McDonald's;
- About half of the Fortune 500 employers, including Boeing, DuPont, Hewlett-Packard, Kraft Foods and Microsoft;
- 85% of the federal civilian population, including the Department of Defense, Veterans Administration, Social Security Administration and Internal Revenue Service;
- Temporary employment agencies, including Labor Ready, Kelly Services and Adecco; and
- Local employers, including dozens of hospitals and school districts.

A Local Department of Social Services (LDSS) examiner or investigator uses the eXpress service by accessing the Work Number employment verification link. The examiner or investigator can access this link directly through Centraport (internet access is not needed) or can access the link directly through the internet at: www.theworknumber.com. Once at the site, the examiner or investigator needs to enter only the Social Security Number. If any of the TALX employers have that Social Security Number (SSN) in their payroll database, the examiner or investigator would receive back a notice indicating that there is a positive employment match to the SSN. An LDSS is **not** charged when a positive match is returned. A cost to the LDSS is incurred **only if** the examiner or investigator selects the employer on the screen in order to obtain the detailed wage data associated with that SSN. Costs for eXpress services are charged back to the LDSSs via the revenue intercept process. The detailed wage verification from the eXpress service is "verified upon receipt".

Although the TALX Corporation also offers a free fax-based service for income verifications, there are advantages to using the eXpress service: (1) the responses to SSN inquiries are instantaneous; (2) only the applicant's or recipient's SSN must be known to search the TALX database; and (3) *all* employers associated with the SSN are returned. In contrast, the free fax-based service can be searched on employer only—the LDSS must know the employer, and the free fax-based service has a response time of five to seven days.

III. Program Implications

LDSSs who wish to continue using the TALX eXpress service must return the enclosed Revenue Intercept letter **no later than 6-6-08** (see Attachment I). LDSSs who are not currently using the eXpress service but would like to start using it must also complete and return the enclosed Revenue Intercept letter.

LDSSs who used the eXpress income verification service to obtain detailed wage data during the past year (11/1/06 – 10/31/07) were charged back the gross costs of their usage as a bottom line adjustment on a monthly RF2/RF2A settlement (see Attachment II). These costs were eligible to be claimed for Federal/State reimbursement on the Schedule D10 (LDSS-2347-F (10/10) Claiming of Fraud & Abuse Administrative Costs) subject to customary caps and ceilings.

The per income verification cost is based on the total monthly volume of OTDA and LDSS users. Should more users sign on and the volume increases, the amount charged per income verification may decrease. Below is a rate schedule based on statewide monthly volumes of income verification requests. **Based on current volumes, however, we expect to maintain the current charges of \$1.98 per verification.**

<u>Statewide Monthly Volume</u>	<u>Rate Per Income Verification</u>
2,020	\$3.00
3,080	2.50
3,800	2.35
5,940	2.12
7,420	2.05
11,600	1.98
18,130	1.91
28,330	1.84
40,800	1.77
58,750	1.70
70,500	1.63
84,600	1.56
101,500	1.49

The Revenue Intercept letter for continuing eXpress service is due by COB June 6, 2008 and must be emailed to Richard Nawrot, Director of Program Integrity at:

E-mail: Richard.Nawrot@otda.state.ny.us

Fax: (518) 402-0121

Any questions regarding this directive may be forwarded to:

Kathleen Murphy, OTDA/Program Integrity
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Issued By

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