



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

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David A. Hansell
Commissioner

Informational Letter

Section 1

Transmittal:	08-INF-13
To:	Local District Commissioners
Issuing Division/Office:	Bureau of Audit and Quality Improvement
Date:	August 20, 2008
Subject:	Cost Avoidance Calculations for Program Integrity Initiatives
Suggested Distribution:	Fraud Directors Front End Detection System (FEDS) Coordinators Temporary Assistance (TA) Directors Food Stamps (FS) Directors Staff Development Coordinators Fair Hearings Staff
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Attachments:	Attachment I – Cost Avoidance Calculations for Program Integrity Initiatives
Attachment 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-16					

Section 2

I. Purpose

The purpose of this release is to forward to Local Departments of Social Services (LDSS) staff the revised amounts for cost avoidance savings due to Program Integrity initiatives.

II. Background

Cost Avoidance is the mathematical calculation of either what an application might have cost the local/State/federal governments if it had not been denied, or what a recipient receiving benefits would have continued to cost these governments if the recipient's case had not been closed or if the recipient had not been removed from the case, due to Program Integrity initiatives.

In 2006, 06 INF-16 transmitted revised figures for cost avoidance savings due to Program Integrity initiatives. These figures were revised again in 2008 and this release provides the new figures.

III. Program Implications

The Program Integrity efforts of LDSS eligibility and investigative staff have a tremendous positive impact on reducing local/State/federal program expenditures. Application denials, grant reductions and case closings are a critical part of correct eligibility determinations and maintaining the integrity of assistance programs. The attached cost avoidance calculations may be used to estimate necessary staffing levels, justify additional staff positions and project budgetary savings.

Except where indicated in Attachment I, these revised figures will be used for those actions being taken on or after 7/1/08. For the Automated Finger Imaging System (AFIS) and the Front End Detection System (FEDS), there are additional figures listed because AFIS and FEDS data is processed on behalf of the Office for Children and Family Services (OCFS) and/or the Department of Health (DOH).

For questions regarding cost avoidance for Child Care, please contact the OCFS Bureau of Child Care. For questions regarding cost avoidance for Medical Assistance, please contact your DOH Medical Assistance program representative.

Issued By

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