

Attachment 5

LIHEAP Program Integrity Assessment

ATTACHMENT 5
SAMPLE PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT TEMPLATE
 Low Income Home Energy Assistance Program (LIHEAP)

ABSTRACT:

HHS is requiring further detail from Grantees on their FY2014 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that Grantees highlight and describe all elements of this FY2014 plan which represent improvements or changes to the Grantees' FY2014 plan for preventing and detecting fraud, abuse and improper payment prevention.

Instructions: Please provide full descriptions of the Grantee's plans and strategy for each area, and attach/reference excerpts from relevant policy documents for each question/column. Responses must explicitly explain whether any changes are planned for the new FY.

State, Tribe or Territory (and grant official):	Idaho Department of Health and Welfare, Division of Welfare Genie Sue Weppner	Date/Fiscal Year: August 2013 FFY 2014	
RECENT AUDIT FINDINGS			
Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2013 or the prior three years, in annual audits, Grantee monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances.	Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2014.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies
There have been no Audit findings relevant to the LIHEAP program.	N/A	N/A	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>

According to the Paperwork Reduction Act Of 1995 (Pub. L. 104-13), public reporting burden for this collection of information is estimated to average 1 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number

COMPLIANCE MONITORING

Describe the Grantee's FY 2013 strategies that will continue in FY 2014 for monitoring compliance with State and Federal LIHEAP policies and procedures by the Grantee and local administering agencies.	Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2014.	If you don't have a firm compliance monitoring system in place for FY 2014, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
In FY 2014, Idaho will continue to utilize the Contracts and External Resources Team to monitor Direct Service Providers and the primary contractor for compliance contract requirements, State and Federal regulations and policies.	Idaho does not have any new strategies for compliance and will continue to monitor Direct Service Providers and the primary contractor for compliance contract requirements, State and Federal regulations and policies.	N/A	A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.

FRAUD REPORTING MECHANISMS

For FY 2013 activities continuing in FY 2014, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse [These may include telephone hotlines, websites, email addresses, etc.]; (b) strategies for advertising these resources.	Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2014, and the timeline for that implementation.	If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.	Necessary outcomes of these strategies and systems
<p>Idaho uses the following methods for the public to report fraud, waste, or abuse:</p> <ul style="list-style-type: none"> Call center is used as a point of contact; staff is trained to complete a Fraud Referral form when they receive reports of fraud, waste, or abuse. An online reporting form is available at: www.healthandwelfare.idaho.gov/aboutus/fraudreportpublicassist Customers can also report fraud, waste or abuse at any Department of Health and Welfare office. 	N/A	N/A	Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.

VERIFYING APPLICANT IDENTITIES			
<p>Describe all FY 2013 Grantee policies continuing in FY2014 for how identities of applicants and household members are verified.</p>	<p>Please highlight any policy or strategy from your plan which will be newly implemented in FY 2014.</p>	<p>If you don't have a system in place for verifying applicant's identities, please explain why and how the Grantee is ensuring that only authentic and eligible applicants are receiving benefits.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>For applicants who are currently receiving Food Stamp benefits, their information is verified through our eligibility system and the Direct Service Provider completing the LIHEAP eligibility determination to calculate the benefit. For applicants not currently receiving Food Stamp benefits, verification of identity accepted includes driver's licenses, identification cards and social security cards.</p>	<p>N/A</p>	<p>N/A</p>	<p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i></p>
SOCIAL SECURITY NUMBER REQUESTS			
<p>Describe the Grantee's FY 2014 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.</p>	<p>Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2014, or remaining the same.</p>	<p>If the Grantee is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>At this time, Idaho does not require applicants to produce a social security number in order to access LIHEAP benefits.</p>	<p>This policy is the same as described in FY2013.</p>	<p>Idaho's LIHEAP eligibility and payment system completes a search of our client database, which contains Numident social security number for all applicants who receive or have received Food Stamp benefits. If a LIHEAP applicant name, date of birth, and/or social security number does not match what the client directory contains, the LIHEAP system will not allow the user to issue a LIHEAP benefit. For applicants who are not in the client directory, a social security number may be provided but is not required.</p>	<p><i>All valid household members are reported for correct benefit determination.</i></p>

CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES			
Describe if and how the Grantee used existing government systems and databases to verify applicant or household member identities in FY 2013 and continuing in FY 2014. (Social Security Administration, Enumeration Verification System, prisoner databases, Government death records, etc.)	Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY 2014.	If the Grantee won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Grantee will supplement this fraud prevention strategy.	Necessary outcomes from these systems and strategies
Idaho's Direct Service Providers are not allowed access to the SOLQ interface, so the LIHEAP system checks the Numident database for matching name, social security number, and date of birth for each household member listed on a LIHEAP application.	N/A	N/A	Use of all available database systems to make sound eligibility determination.
VERIFYING APPLICANT INCOME			
Describe how the Grantee or designee used State Directories of new hires or similar systems to confirm income eligibility in FY 2013 and continuing in FY 2014.	Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2014.	If the Grantee won't be using new hire directories to verify applicant and household member incomes how will the Grantee be verifying the that information?	Necessary outcomes from these systems and strategies
Idaho uses SOLQ, wage stubs, income tax return, and/or phone calls to employers to verify income for LIHEAP applicants	N/A	Idaho will utilize wage stubs, SOLQ data when available through the Food Stamp eligibility system, income tax returns and employer verification to verify income documentation.	Effective income determination achieved through coordination across program lines.

PRIVACY-PROTECTION AND CONFIDENTIALITY

Describe the financial and operating controls in place in FY 2013 that will continue in FY 2014 to protect client information against improper use or disclosure.	Please highlight any controls or strategies from your plan which will be newly implemented as of FY 2014.	If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.	Necessary outcomes from these systems and strategies
<p>The LIHEAP System, which contains applicant information, is hosted on a secure server. The Direct Service Providers obtain access to the system via a security request which is routed through CAPAI (current contractor for the administration of LIHEAP) and forwarded to the Department of Health and Welfare for processing. When employees with security access leave their position, a request is submitted through CAPAI and forwarded to the Department of Health and Welfare to have the security access discontinued.</p>	<p>N/A</p>	<p>N/A</p>	<p>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</p>

LIHEAP BENEFITS POLICY

Describe FY 2013 Grantee policies continuing in FY 2014 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.	Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY 2014.	If the Grantee doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the Grantee taking to ensure program integrity.	Necessary outcomes from these systems and strategies
<p>We currently use a Home Energy Vendor Agreement which outlines the responsibilities of the vendors to protect against fraud when making payments or providing benefits on behalf of program clients. No payments are made to vendors who do not have an executed Home Energy Vendor Agreement on file.</p>	<p>N/A</p>	<p>N/A</p>	<p>Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.</p>

PROCEDURES FOR UNREGULATED ENERGY VENDORS			
<p>Describe the Grantee's FY 2013 procedures continuing in FY 2014 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other un-regulated energy utilities.</p>	<p>Please highlight any strategies policy in this area which will be newly implemented in FY 2014.</p>	<p>If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the Grantee is ensuring program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>We currently use a Home Energy Vendor Agreement which outlines the responsibilities of the vendors to protect against fraud when making payments or providing benefits on behalf of program clients. No payments are made to vendors who do not have an executed Home Energy Vendor Agreement on file.</p>	<p>N/A</p>	<p>N/A</p>	<p>Participating vendors are thoroughly researched and inspected before benefits are issued.</p>
VERIFYING THE AUTHENTICITY OF ENERGY VENDORS			
<p>Describe Grantee FY 2013 policies continuing in FY 2014 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Grantee's procedure for averting fraud.</p>	<p>Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY 2014.</p>	<p>If you don't have a system in place for verifying vendor authenticity, please describe how the Grantee can ensure that funds are being distributed through valid intermediaries?</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>Idaho verifies the authenticity of energy vendors being paid with LIHEAP funding using the Home Energy Vendor Agreement and requiring the EIN/SSN of the Vendor.</p>	<p>N/A</p>	<p>N/A</p>	<p>An effective process that effectively confirms the existence of entities receiving federal funds.</p>

TRAINING AND TECHNICAL ASSISTANCE

<p>In regards to fraud prevention, please describe elements of your FY 2013 plan continuing in FY 2014 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</p>	<p>Please highlight specific elements of your training regimen and technical assistance resources from your plan which will represent newly implemented in FY 2014.</p>	<p>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</p>	<p>Necessary outcomes from these systems and strategies</p>
<ol style="list-style-type: none"> Idaho currently provides fraud prevention training to IDHW staff, including training on IBES and interfaces currently used to confirm identity. There is an interface through the LIHEAP System that double checks social security numbers. All duplicates of social security numbers are reporting weekly for correction. Direct Service Provider staff has access to and is trained at the local level to use the Idaho Benefit Eligibility System (IBES) which contains eligibility information for all SNAP recipients in order to verify social security numbers; they are also trained to utilize the information in the LIHEAP System to correct data entry errors. For those applicants not in the IBES system, Direct Service Provider view social security cards for all household members. Direct Service Provider staff is trained to verify identity documents and ensure social security numbers are data entered accurately. Participants are directed to bring in social security cards for all household members and sign the LIHEAP application which states "I understand that willful misrepresentation and/or concealment of facts on this application can result in civil and criminal 	<p>N/A</p>	<p>N/A</p>	<p>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</p>

penalties.”
 4. Energy vendors receive weekly Direct Vendor Payment Listings that advise them of which amounts are applied to whose accounts. The information provided includes the case number, name, address, benefit amount, and account number. This system reduces the ability for fraudulent payments to vendors and accounts. Energy Vendors are advised of data entry errors and coordinate with Direct Service Provider staff to correct any errors.

AUDITS OF LOCAL ADMINISTERING AGENCIES

Please describe the annual audit requirements in place for local administering agencies in FY 2013 that will continue into FY 2014.	Please describe new policies or strategies to be implemented in FY 2014.	If you don't have specific audit requirements for local administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.	Necessary outcomes from these systems and strategies
Idaho's LIHEAP contracts with Direct Service Providers requires the following: A. Single Audit Act of 1984 compliance. B. An annual audit is performed by a Certified Public Accountant in accordance with GAAP and OMB Circular A-133. Provision of the audit report 30 days after receipt or nine months after the end of the audit period, whichever is earlier.	N/A	N/A	Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.

Additional Information

Please attach further information that describes the Grantee's Program Integrity Policies, including supporting documentation from program manuals, including pages/sections from established LIHEAP policies and procedures.