



COUNTY OF ERIE
STEFAN I. MYCHAJLIW
COMPTROLLER

February 11, 2013

Carol Dankert, Commissioner
Erie County Department of Social Services
95 Franklin Street, 8th Floor
Buffalo, New York 14202

Dear Commissioner Dankert:

I am in receipt of your letter dated February 7, 2013. In this letter you requested a draft of the scope and objectives of our audit of the Eligibility and Recertification processes within the Medicaid and Public Assistance Units of the Department of Social Services.

We will be looking at the processes and testing transactions for the period January 1, 2011 through January 31, 2013. Our objectives are to:

- Document and evaluate if internal controls within these processes are sufficient to minimize risks.
- Determine if all persons that have been deemed eligible for Medicaid benefits have met the eligibility requirements as prescribed by regulation.

You have scheduled the entrance conference for Thursday, February 14th at 2:00pm in Room 805. At that time, we would like to obtain the following:

1. Departmental organizational charts with a brief summary of key tasks performed by job title
2. Copies of departmental policies and procedures (or access to them and we will make copies)
3. Copies of regulatory guidance that prescribes procedures for determining eligibility and required documentation in files.

We would also like to discuss working hours, access to records and meet key personnel with whom we will be working.

At the commencement of our fieldwork, two staff auditors will begin to work in each of the units to perform a walkthrough of the process and document the flow of information and tasks performed in a flow chart. Internal controls will be identified and tests will be performed to confirm that identified

controls are working as intended. We will also be selecting a sample of eligibility files to examine for completeness. Since these eligibility files and records were created by Erie County workers, our Charter gives us authorization to examine such. We will sign any confidentiality agreements that you deem are necessary. I will also be working in the field from time to time. We would like to begin field work on Friday, February 15th. I expect that fieldwork will continue through March 8, 2013 but this may have to be adjusted one way or the other depending on the number of files selected for review and/or any unforeseen circumstances. The bulk of the time we need to spend with your staff should be at the beginning of fieldwork while we document the workflow.

At the entrance conference I will also explain how findings will be handled and how I will communicate our audit progress.

Should you have any questions, please feel free to contact me at x8430.

Sincerely,

A handwritten signature in cursive script, appearing to read "Teresa Fraas".

Teresa Fraas, Deputy Controller – Audit and Control
Erie County Comptroller's Office