

Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019

Finding 1: DBS did not submit all eligible claims to SSA for reimbursement.

Recommendation(s)

We recommend that DBS send all potentially eligible cases to SSA for reimbursement. We recommend sending claims to SSA for all cases in which the client has met SGA and is eligible for SSI or SSDI without a suspension or termination date. We additionally recommend moving cases to the SSRA application after the completion of the individualized plan for employment, rather than after case closure from AWARE, to ensure the system identifies all potential wage earnings for employment gained during the period DBS provided services.

Management Response as of December 15, 2019:

The SSRA Application is no longer operational (effective June 2019).

All actions listed in the DBS Management Response as of June 15, 2019 have been completed with one exception:

The SSA Security Evaluation Questionnaire Package for TRACKER Certification was approved by SSA on October 3, 2019 and we have been granted permission to utilize SVES IV data with TRACKER. We are in the process of making the necessary system changes to process the SVES IV data, but since this functionality now falls under the TRACKER application, we would like to move and provide updates on this item under the TRACKER IG Audit Report #A-1718DOE-016.

Anticipated Completion Date and Contact:

COMPLETE

Klaus Extine (klaus.extine@dbs.fldoe.org)

Prior Responses:

Management Response as of June 12, 2018

Though all claims identified by the SSRA database generated in the daily email were filed and sent requesting reimbursement from the Social Security Administration, FDBS concurs that this process was not capturing all the potentially eligible claims.

Many of the issues detailed in IG Report #A-1718-009 had previously been recognized by Florida DBS staff. In response, in May 2017 Florida DBS began exploring the replacement of the in-house Social Security Reimbursement Application (SSRA). Shortly thereafter, after a series of demos and discussions with Morrow Consulting, LLC, Florida DBS decided to purchase and implement the **Vocational Rehabilitation Ticket to Work/Reimbursement Tracker (TRACKER)**, an application that is already in use (or currently being installed) by 40 VR agencies. Florida DBS began processing VR Reimbursement Claims via TRACKER as of February 8, 2018, and as of May 24, 2018 approximately **\$838,000** in claims processed through TRACKER has been approved for reimbursement by SSA.

Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019

In regards to the listed recommendations, TRACKER connects to our AWARE case management system and to external data sources like Unemployment Insurance (UI) wage records and the State Verification and Exchange System (SVES). This information is used to determine when cases have met the requirements for Reimbursement payments and when they should be submitted via the SSA Portal. A weekly process copies case information from AWARE to TRACKER after the completion of the individualized plan for employment (IPE). This weekly process also updates expenditure information for each case in TRACKER. Pending approval from the Social Security Administration Office of Information Security to import and utilize SVES data in TRACKER, Florida DBS is currently submitting all VR Reimbursement claims that have met SGA without taking into consideration SSI or SSDI benefits. Upon receiving approval to utilize SVES data in TRACKER, Florida DBS will make the determination on whether to continue submitting all VR Reimbursement claims based only on the achievement of SGA or whether to also consider SSI and SSDI benefit information. TRACKER currently tracks cases for a period of 8 years, unlike SSRA which would prematurely ‘expire’ cases when certain milestones were not met.

Management Response as of December 15, 2018

Florida DBS began processing VR Reimbursement Claims via TRACKER as of February 8, 2018, and as of November 20, 2018, sixty-one (61) claims in the amount of **\$1,595,306.50** have been processed via TRACKER and approved for reimbursement by SSA.

Florida DBS is continuing to learn the complexities of the VR Reimbursement process and the TRACKER application. Our goal is to submit 100% of all eligible reimbursement claims, and we fully expect to reach that goal as our knowledge and processes continue to improve.

We recently discovered that TRACKER cannot be configured to create a claim based solely upon the achievement of 9 months of SGA as we previously thought. We have learned that TRACKER will not create a claim if the receipt of SSI/SSDI benefits is not indicated for the client in TRACKER. Since we have not yet been certified to use the SVES data file (which contains SSI/SSDI benefit information), there is a possibility of missing eligible claims if SSI/SSDI benefit information is not accurately recorded in the AWARE Case Management system.

Florida DBS will complete the following actions to ensure that SSI/SSDI information is accurately recorded in TRACKER so that all eligible claims can be accurately identified:

- Instruct all staff to accurately record SSI/SSDI benefit information in AWARE which will then be copied to TRACKER.
- Complete and submit all required paperwork to SSA by January 1, 2019 to initiate the Federal Certification process of the TRACKER application to use the SVES file.

**Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019**

- Schedule a monthly submission of an ‘IN-USE’ file from TRACKER to the SSA Portal. The ‘IN-USE’ Response file from SSA must then be imported into TRACKER to flag cases that are currently receiving SSA benefits.

Run a query to identify all cases that have achieved 9 months SGA within the last two years and submit for reimbursement if no claim has previously been submitted. Continue to run this process each quarter until all actions previously listed have been completed.

Anticipated Completion: 01/31/19

Management Response as of June 15, 2019

Florida DBS discontinued the use of the SSRA application to process VR Reimbursement Claims as of February 8, 2018. At that time, Florida DBS began processing VR Reimbursement Claims via TRACKER, and as of June 3, 2019, ninety-five (95) claims in the amount of **\$2,316,886.38** have been successfully processed via TRACKER and approved for reimbursement by SSA. Since SSRA is no longer used to process VR Reimbursement Claims, Florida DBS is now concentrating on addressing the findings of the IG Audit of TRACKER (**Report #A-1718DOE-016 Issued February 2019**).

The Social Security Administration (SSA) conducted one final on-site audit of the SSRA application on April 17, 2019. Subsequently, SSA has been notified that FL DBS is officially shutting down and archiving the SSRA application and all corresponding databases (effective June 2019) since the application is no longer being used to process VR Reimbursement Claims.

Upon completion of the SSA SSRA Audit, FL DBS completed the SSA Security Evaluation Questionnaire Package for TRACKER CERTIFICATION and submitted to SSA on 5/27/2019. An on-site TRACKER certification visit by SSA has been tentatively scheduled for September 2019 (although an exact date has not yet been determined).

FL DBS has reminded all staff to accurately record SSI/SSDI benefit information in AWARE. FL DBS is also executing the “IN-USE” file process between TRACKER and the SSA Portal to flag cases that are currently receiving SSA benefits. Per discussions with SSA, upon final certification of TRACKER by SSA, FL DBS will resume the weekly processing of SVES IV data. FL DBS will test both the SVES IV DATA REQUEST and SVES IV DATA RESPONSE processes from within our TEST TRACKER environment. At the completion of testing, FL DBS will resume both processes in our PRODUCTION TRACKER environment.

FL DBS has developed a query to help identify cases that have achieved 9 months SGA since Quarter 1 of 2017, and has started the process of submitting claims for reimbursement if no claim has previously been submitted for the identified cases. Claims will be submitted strictly on the achievement of 9 months SGA; all other qualifying criteria will not be considered. Any case identified with a 9 month SGA Achievement since QUARTER 1 of 2018 for which no claim has

**Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019**

previously been created will be closely examined to determine why a claim was not created by TRACKER. Any potential deficiencies of TRACKER in identifying all eligible claims to SSA for reimbursement will be addressed with J Morrow. FL DBS will also execute this query each Quarter after TRACKER has identified all Claim Reimbursements for that same Quarter. All potential claims identified by the FL DBS query will be compared to the potential claims identified by TRACKER. Any discrepancies between FL DBS query results and TRACKER will be examined and discussed with J Morrow.

Anticipated Completion: 12/31/2019

Finding 2: DBS did not receive any reimbursement payments during Federal Fiscal year 2016-2017.

Recommendation(s)

We recommend DBS ensure all potentially eligible claims are submitted to SSA for reimbursement in a timely manner. If difficulties in submitting claims occur, DBS should immediately contact SSA, document the communication and resolution, and resubmit the claims.

Management Response as of December 15, 2019:

The SSRA Application is no longer operational (effective June 2019). All actions listed in the DBS Management Response as of June 15, 2019 have been completed.

Anticipated Completion Date and Contact:

COMPLETE

Klaus Extine (klaus.extine@dbs.fldoe.org)

Prior Responses:

Management Response as of June 12, 2018

Though all claims identified by the SSRA database generated in the daily email were filed and sent requesting reimbursement from the Social Security Administration, FDDBS concurs that this process was not capturing all the potentially eligible claims.

According to SSA Vocational Rehabilitation monthly calls, SSA was only accepting individual cases through the portal access point, which has not functioning properly in the SSA portal as of the initial go live date in Fall 2016. Though SSA stated that paper copies of request for reimbursements would not be accepted, FDDBS had no other choice but to submit paper copies due to the non-functioning online portal for individual case entry. During the time period of this audit, FDDBS was not able to produce batch formatting for submission due to the constraints with the SSRA Database system. As a result of SSA no longer accepting paper copies, several states that were not able to submit via batch processing, were not able to apply for cost reimbursement. This led FDDBS to the implementation of the new Reimbursement TRACKER system.

**Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019**

TRACKER provides a user-friendly interface that guides the user through the complex tasks involved in processing a VR Reimbursement claim. It provides feedback, like when processing was last done and when it should be performed next. It displays how many claims are outstanding and how long they have been outstanding. The system's payment processing algorithms pick out all the claims that have met the requirements for Reimbursement and exclude those that have been submitted in the past or are not eligible for a variety of other reasons. It also applies warnings to claims that are at higher risk of being rejected allowing you to quickly determine which cases to submit or reject during the claim verification process. All claims to be submitted to SSA for reimbursement are loaded to a batch file which can then be uploaded for processing via the SSA Portal. Florida DBS is encouraged to contact the VR Helpdesk via email for any difficulties in submitting claims electronically via the SSA Portal. All applicable correspondence with the VR Helpdesk can be copied and documented as a NOTE on the CLAIMS DETAILS TAB in TRACKER. Since the implementation of TRACKER, a total of six (6) claims initially denied by SSA were filed for Reconsideration via the VR Helpdesk. All six (6) claims were subsequently approved for payment in the amount of **\$120,975.23**.

Management Response as of December 15, 2018

Florida DBS recognizes the need for an independent process that verifies all potentially eligible claims have been identified by TRACKER in a timely manner. This process should also verify that all identified claims were submitted to SSA in a timely manner. We are in the early stages of gathering requirements for this process.

Anticipated Completion: 03/30/19

Management Response as of June 15, 2019

FL DBS has developed a query to help identify cases that have achieved 9 months SGA. FL DBS will begin executing this query each Quarter after TRACKER has identified all Claim Reimbursements for that same Quarter. All potential claims identified by the FL DBS query will be compared to the potential claims identified by TRACKER. Any discrepancies between FL DBS query results and TRACKER will be examined and discussed with J Morrow.

Anticipated Completion: 12/31/2019

Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019

Finding 3: DBS submitted reimbursement claims after the submission deadline and did not effectively track claim submissions for reimbursement payment.

Recommendation(s)

We recommend DBS enhance its tracking of all outstanding submissions and ensure the SSA system and the internal tracking spreadsheets align. We additionally recommend DBS retain all SSA determination letters and track the status of submissions in the reimbursement program, to ensure all staff are aware of the current claim status and DBS files or resubmits claims in a timely manner.

Management Response as of December 15, 2019:

The SSRA Application is no longer operational (effective June 2019). All actions listed in the DBS Management Response as of June 15, 2019 have been completed.

Anticipated Completion Date and Contact:

COMPLETE

Klaus Extine (klaus.extine@dbs.fldoe.org)

Prior Responses:

Management Response as of June 12, 2018

Per SSA's communication with FDBS, SSA only communicates results of requests for reimbursement by postal mail. All mail received by the FDBS was retained and provided to auditors, however SSA only provided mailed documentation to FDBS on 61% of the reimbursement requests.

When the system indicated that a batch of applications was due to be submitted, FDBS completed the batch within 2 business days of notification. In many cases, the SSA Reimbursement team did not process the cases timely which resulted in a "submission past the

**Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019**

deadline” notification. Paper resubmissions to SSA were completed when notified that a claim was denied.

TRACKER includes the ability to generate various reports including REIMBURSEMENT REQUEST, RESPONSE and STATUS Reports to allow tracking of the following information:

- All reimbursement requests submitted electronically via the SSA Portal during the specified time frame.
- The submission date of each reimbursement request.
- Whether or not a response was received from SSA.
- If a response was received, the response date and whether the claim was accepted or rejected.
- The amount requested for reimbursement.
- The amount approved for reimbursement.
- The Action Code and Description for each response.

In addition, the SSA Portal includes the following functionality:

- Upload of claim files to SSA
- View all Pending VR Payments
- View VR Payments Already Made
- Check status of all files uploaded to SSA via the Portal and download the results to import into TRACKER.

All SSA Determination Letters issued since the implementation of TRACKER are scanned to PDF and uploaded to a designated folder on the TRACKER server. In addition, hard copies of the letters are filed. Florida DBS also plans to scan to PDF and store all SSA Determination Letters and correspondence which were issued prior to TRACKER.

Management Response as of December 15, 2018

Florida DBS continues to learn how to utilize the various tracking and status reports available within TRACKER and on the SSA Portal site to more effectively submit reimbursement claims in a timely manner. We also continue to scan to PDF and store all SSA Determination Letters and correspondence which were issued prior to TRACKER

Anticipated Completion: 06/30/19

Management Response as of June 15, 2019

Florida DBS continues to learn how to utilize the various tracking and status reports available within TRACKER and on the SSA Portal site to more effectively track the submission and status of all eligible reimbursement claims in a timely manner. All claim reimbursement submissions and reimbursement responses are recorded and tracked by the online SSA Portal and are also

Department of Education
Office of Inspector General – Internal Audit
18-Month Management Status Report on: DBS Social Security Reimbursement Program
Report #A-1718DOE-009 Issued: June 15, 2018
Status as of December 15, 2019

uploaded to the TRACKER application. Although we still receive hardcopy Claim Reimbursement Determination Letters from SSA, the same information is available on the SSA Online Portal and is also uploaded to TRACKER. Eventually, we expect SSA to discontinue the use of hardcopy Claim Reimbursement Determination Letters. We also continue to scan to PDF and store all SSA Determination Letters and correspondence which were issued prior to TRACKER. Upon approval, we expect to shred all hardcopy documentation which has exceeded any retention period requirements.

Anticipated Completion: 12/31/2019