

Management Advisory Report

Single Audit of the State of Idaho for
the Fiscal Year Ended June 30, 2015

Single Audit of the State of Idaho for the Fiscal Year Ended June 30, 2015 A-77-16-00005



July 2016

Office of Audit Report Summary

Objective

To report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to the Social Security Administration for resolution action.

Background

Idaho Legislative Services Office conducted the single audit of the State of Idaho. SSA is responsible for resolving single audit findings related to its disability programs. The Idaho Department of Labor is the Idaho Disability Determination Services' parent agency.

Finding

The single audit reported the Idaho Department of Labor did not have procedures in place to verify that license verifications and reviews of the Department of Health and Human Services' Office of the Inspector General's List of Excluded Individuals and Entities for consultative examination providers' were appropriately conducted.

Recommendation

We recommend that SSA verify the Department of Labor established appropriate procedures for license and Department of Health and Human Services' Office of the Inspector General's List of Excluded Individuals and Entities verifications.

MEMORANDUM

Date: July 11, 2016 **Refer To:**

To: Gary S. Hatcher
Senior Advisor
Records Management and Audit Liaison Staff

From: Assistant Inspector General for Audit

Subject: Single Audit of the State of Idaho for the Fiscal Year Ended June 30, 2015 (A-77-16-00005)

This report presents the Social Security Administration's (SSA) portion of the single audit of the State of Idaho for the fiscal year ended June 30, 2015.¹ Our objective was to report internal control weaknesses, noncompliance issues, and unallowable costs identified in the single audit to SSA for resolution action.

The Idaho Legislative Services Office conducted the audit. The Department of Health and Human Services' desk review concluded that the audit met Federal requirements. In reporting the results of the single audit, we relied entirely on the internal control and compliance work performed by the Idaho Legislative Services Office and Department of Health and Human Services. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

For single audit purposes, the Office of Management and Budget assigns Federal programs a Catalog of Federal Domestic Assistance (CFDA) number. SSA's Disability Insurance and Supplemental Security Income programs are identified by CFDA number 96. SSA is responsible for resolving single audit findings reported under this CFDA number.

The Idaho Disability Determination Services (DDS) performs disability determinations under SSA's Disability Insurance and Supplemental Security Income programs in accordance with Federal regulations. The DDS is reimbursed for 100 percent of allowable costs. The Idaho Department of Labor (DOL) is the Idaho DDS' parent agency.

¹ State of Idaho *Single Audit Report for the Fiscal Year Ended June 30, 2015*, (March 31, 2016).

The single audit reported the Idaho DOL did not have procedures in place to verify that license verifications and reviews of the Department of Health and Human Services' Office of the Inspector General's List of Excluded Individuals and Entities (LEIE) for consultative examination (CE) providers' were properly conducted.² The corrective action plan indicated procedures were implemented that require a secondary review of the license and LEIE verifications.

We recommend that SSA verify the DOL established appropriate procedures for license and LEIE verifications.

Please send copies of the final Audit Clearance Document to Shannon Agee. If you have questions, contact Shannon Agee at (877) 405-7694, extension 18802 or Shannon.Agee@ssa.gov.

A handwritten signature in black ink that reads "Rona Lawson". The signature is fluid and cursive, with "Rona" on top and "Lawson" below it.

Rona Lawson

Attachment

cc:
Lynn Bernstein

² See Footnote 1, finding 2015-208.

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