TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES  
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT  
FAMILY INVESTMENT SUPERVISORS  
FROM: KEVIN MAHON, EXECUTIVE DIRECTOR, FIA  
RE: QUALITY CONTROL 16 PROCEDURES  
PROGRAMS AFFECTED: ALL PROGRAMS SUBJECT TO QUALITY CONTROL REVIEW  
ORIGINATING OFFICE: OFFICE OF QUALITY ASSURANCE  

SUMMARY:

Quality Control (QC) and the Division of Management Support (DMS) monitor all QC 16 forms that indicate an error discovered during the review process. Local departments are to respond to all QC 16s error forms by the date on the transmittal letter and specify the corrective action and recoupment/recovery plan as appropriate.

BACKGROUND INFORMATION:

Local Departments receive a QC 16 form as notification of a QC error discovered during the QC review process. Each QC 16 is to be carefully examined by the local department to determine if the information cited in the review is complete and accurate. It is important that each error is scrutinized to ensure that the state local department is not improperly charged with an error.

This action transmittal outlines the procedures for processing the QC 16 for all error cases. A copy of the revised QC 16 is attached.
PROCEDURE: Review the QC 16 for complete and accurate information.

- If the local department concurs with the QC determination, follow these steps:
  1. Indicate that the local department does concur with the QC determination, in the Quality Control Findings section (A) provided on the QC 16.
  2. Complete the Corrective Action section (B).
  3. Complete the Suspected Fraud/Recoupment/Recovery/Restoration Action section (C), as appropriate. New actions have been added for the local department to indicate when a "Suspected Fraud" case was referred to the Division of Special Investigations (DSI) and benefited the customer were restored.
  4. Return the original QC 16 to QC by the due date listed in the transmittal letter.

- If the local department does not concur with the QC determination, follow these steps:
  1. Indicate that the local department does not concur with the QC determination in the Quality Control Findings section (A) provided on the QC 16.
  2. Provide any additional information that may affect the eligibility decision for the review month.
  3. Return the QC 16 and any additional information to QC by the due date listed in the transmittal letter for re-review.

- If the case is found to be correct after re-review, QC will notify the local department in writing and no further action is required.

- If the case remains in error after re-review, QC will notify the local department in writing. The local department is to:
  1. Complete the Corrective Action section (B) of the QC 16.
  2. Complete the Suspected Fraud/Recoupment/Restoration/Recovery section (C), as appropriate. New actions have been added to this section for DSI referrals and restorations.
  3. Return the QC 16 to QC.

- Local departments need to make a photo copy of the original QC 16 for their records. The QC 16 will be processed on a PC, therefore, carbon sets or NCR paper cannot be provided.
Local departments are expected to conduct thorough investigations to determine if the error cited appropriately and the amount of the error was calculated correctly by QC. It is especially important to make QC aware of any additional information or documentation impacting the error that was not available to QC when the error determination was made. Local department investigations may result in correct findings and reversal of the QC error that not only affects the local department's error rate but the error rate statewide.

If the local department needs additional time to investigate an error, contact Helen Grier, Acting QC Manager, at (410) 767-7943 to establish a new due date. Attachments 1 (CARES) and 2 (AIMS) are examples of correctly completed QC 16s.

Local departments will be notified in writing of any QC 16 without an extended due date or no response by the original due date. This follow-up assures that the QC 16 was received and proper corrective action has been taken.

Division of Management Support (DMS) will monitor QC 16s for all error cases on a twice monthly basis. The Legislative Auditors always review the QC 16 documents to ensure that the cited corrective actions have been taken by the local department.

**ACTION REQUIRED:**

Respond to all QC 16s which cite an error by the original or extended due date. Complete the Quality Control Findings, Corrective Action and Suspected Fraud/Recoupment/Restoration/Recovery Action(s) sections of the form.

**ACTION TAKEN BY:** All Local Departments

**ACTION DUE DATE:** Upon receipt

Inquiries may be directed to Helen Grier, Acting QC Manager, on (410) 767-7943.
LOCAL DEPARTMENT RESPONSE PAGE

SECTION IV

LDSS: ___________ Review #: ______ Case Name: ___________

Please complete the following and return to QC by due date:

A. QUALITY CONTROL FINDINGS:

☐ Local department agrees ☐ Local department does not agree

COMMENTS: ___________________________________________

B. CORRECTIVE ACTION:

☐ Case Closed ☐ Benefit Increased ☐ Benefit Decreased ☐ Other

Effective date: _____/____ Old Amt: _______ New Amt: _______

Other, please explain: ______________________________________

Action(s) in place to prevent this type of error in the future:

1. _____________________________________________________
2. _____________________________________________________
3. _____________________________________________________

C. SUSPECTED FRAUD/RECOUPEMENT/RESTORATION/RECOVERY ACTION(S):

☐ Referred to DSI? ☐ YES, date _____/____ ☐ NO

☐ Recoupment AMT: $_______ Effective date: _____/____

☐ Restoration AMT: $_______ Issue date: _____/____

☐ Recovery Referred to: __________________________________

Action taken: ___________________________________________

If NO action, why?: _____________________________________

_________________________________  ___________  ___________
Signature/Title                        Telephone                        Date

DHR/IMA/QC 16 (Rev. 11/96)
INSTRUCTIONS FOR RESPONSE PAGE

Section IV

1. A response to every error finding is due at QC within 15 calendar days from the date of the QC notification.

2. The original is forwarded to QC and a copy is retained in the local department.

3. If additional time is needed to investigate a QC finding, an extension must be requested. Contact the QC Manager prior to the due date.

Section A

Indicate whether local department agrees or disagrees with QC findings and make any comments as appropriate.

Section B

1. Check appropriate action(s) taken on the case.

2. Enter benefit amounts and effective date.

3. List action(s) in place to prevent error from recurring.

Section C

1. Check appropriate action(s) taken on the case.

2. As appropriate, enter the date referred to DSI; enter recoupment/restoration amounts and dates; and referral for recovery.

3. Indicate action taken on the case and, if no action was taken, explain why.

NOTE: Corrective action(s) are to be completed within 60 days of the QC response due date. This timeline will be monitored by DMS.
LOCAL DEPARTMENT RESPONSE PAGE  
ATTACHMENT I (CARI)

SECTION IV

LDSS: Your local Review #: 0123456 Case Name: Mary Smith

Please complete the following and return to QC by due date:

A. QUALITY CONTROL FINDINGS:

☐ Local department agrees  X Local department does not agree

COMMENTS: Information that verifies the child care allowed was located in the local department district office. A copy is attached.

B. CORRECTIVE ACTION:

☐ Case Closed  ☐ Benefit Increased  ☐ Benefit Decreased  ☐ Other

Effective date: _________ Old Amt: _________ New Amt: _________

Other, please explain: __________________________________________

Action(s) in place to prevent this type of error in the future:

1. __________________________________________________________
2. __________________________________________________________
3. __________________________________________________________

C. SUSPECTED FRAUD/RECOUPMENT/RESTORATION/RECOVERY ACTION(S):

Referred to DSI?  ☐ YES, date _____/____  ☐ NO

☐ Recoupment AMT: $_________ Effective date: _____/____

☐ Restoration AMT: $_________ Issue date: _____/____

☐ Recovery Referred to: _______________________________________

Action taken: __________________________________________________

If NO action, why?: _____________________________________________

Richard Johnson  123-4567  11/25/96
Signature/Title   Telephone   Date

DHR/IMA/QC 16 (Rev. 11/96)
SECTION IV

LDSS: Your local  Review #: 234567  Case Name: Karen Jones

Please complete the following and return to QC by due date:

A. QUALITY CONTROL FINDINGS:

<table>
<thead>
<tr>
<th>Local department agrees</th>
<th>Local department does not agree</th>
</tr>
</thead>
</table>

COMMENTS:  

B. CORRECTIVE ACTION:

<table>
<thead>
<tr>
<th>Case Closed</th>
<th>Benefit Increased</th>
<th>Benefit Decreased</th>
<th>Other</th>
</tr>
</thead>
</table>

Effective date: 1/1/96  Old Amt: 123  New Amt: 23

Other, please explain:  

Action(s) in place to prevent this type of error in the future:

1. Two workers designated to process interim changes.
2. Log-in system for interim changes.
3.  

C. SUSPECTED FRAUD/RECOUPEMENT/RESTORATION/RECOVERY ACTION(S):

- Referred to DSI?  □ YES, date ___/___/___  X NO
- Recoupment  AMT: $_______  Effective date: ___/___/___
- Restoration  AMT: $_______  Issue date: ___/___/___
- Recovery  Referred to: Overpayment Unit

Action taken: Customer reported increase in earnings, information in case record but not processed.

If NO action, why?:  

Mary Smith  
Signature/Title  

123-4567  
Telephone  

11/25/96  
Date