

DEPARTMENTAL GRANT APPEALS BOARD

Department of Health and Human Services

SUBJECT: New Jersey Department of Human Services      DATE: June 30, 1981  
Docket Nos. 81-83-NJ-CS  
                  81-84-NJ-CS  
Decision No. 195

DECISION

In applications for review filed June 12, 1981, the State requested review by the Board of determinations of the Regional Representative, Region II, Office of Child Support Enforcement, dated May 4 and May 8, 1981, disallowing Federal financial participation in the amounts of \$4,079 and \$3,984 claimed for the quarter ended March 31, 1980 under Title IV-D of the Social Security Act (Act) for the provision of child support enforcement services to persons not eligible for the Aid to Families with Dependent Children (AFDC) program. The appeals were docketed by the Board as Nos. 81-83-NJ-CS and 81-84-NJ-CS, respectively. The Board Chair has accepted the appeals, although they were not timely filed in accordance with 45 CFR 16.6(a)(1), based on a showing of good cause by counsel for the State.

The costs in question were disallowed on the ground that the State did not comply with the requirement in Section 454(6)(A) of the Act that services be provided to non-AFDC recipients only "upon application filed by such individuals with the State...." This issue was presented in several appeals previously filed by the State with the Board. New Jersey Department of Human Services, Decision No. 135, November 23, 1980; Decision 146, January 29, 1981; and Decision No. 153, February 27, 1981. The State in the instant appeals relies on the brief submitted by it in the proceedings in Decision No. 135 and requests an expedited decision in these appeals.

The conclusion of the Board in Decision No. 135, which was reaffirmed in Decision Nos. 146 and 153, was that the State's failure to obtain new applications from non-AFDC recipients who had previously applied for and received services under a wholly State-funded program was an appropriate ground for disallowance. The Board in Decision No. 135 noted, however, that the Agency did not disallow FFP until such time as it believed that all states had notice of a June 9, 1976 action transmittal which expressly stated that new applications were required, and that the State had made a good faith effort to obtain new applications upon receipt of the action transmittal. The Board therefore found that

costs incurred within a reasonable period of time after receipt of the action transmittal should not have been disallowed, and directed the Agency to reduce the amount of the disallowance to the extent that it determined appropriate.

The costs disallowed in Docket No. 81-83-NJ-CS were incurred during the quarter ended March 31, 1980. Thus, the question of whether the State had a reasonable amount of time to comply with Section 454(6)(A) after receipt of the action transmittal is not presented in that appeal. The costs disallowed in Docket No. 81-84-NJ-CS, however, represent adjustments for periods prior to October 1, 1978 which were included in the State's claim for the quarter ended March 31, 1980. It is possible that some of these costs were incurred within a reasonable period of time after receipt of the action transmittal.

No material facts are in dispute. Accordingly, based on the Board's prior decisions cited above, we sustain the disallowance in Docket No. 81-83-NJ-CS in full, and sustain the disallowance in Docket No. 81-84-NJ-CS except with respect to those costs, if any, which the Agency determines were incurred within a reasonable period of time after receipt of the action transmittal.

/s/ Cecilia Sparks Ford

/s/ Alexander G. Teitz

/s/ Norval D. (John) Settle, Panel Chair