

DEPARTMENTAL APPEALS BOARD

Department of Health and Human Services

SUBJECT: New York State
Department of
Social Services
Docket No. 88-170
Decision No. 990

DATE: October 11, 1988

DECISION

The New York State Department of Social Services (State) appealed a decision by the Family Support Administration (Agency) disallowing \$570,644 in federal financial participation claimed by the State under section 403(a) of the Social Security Act (Act) for the calendar quarter ending March 31, 1988. The Agency found that the costs at issue were provided in connection with "social services" as defined at section 2002(a)(1) of the Act. The Agency based the disallowance on section 403(a)(3) of the Act, which prohibits federal reimbursement under Title IV-A for costs associated with the provision of such social services.

Arguing for reversal of the disallowance, New York asserted that the disallowed costs were properly charged to Title IV-A based on an approved cost allocation plan. New York also maintained that these claims were allowable under statutory exceptions in section 403(a)(3)(C). Finally, New York argued that at least part of these claims were attributable to income maintenance functions and therefore were allowable under section 403(a)(1).

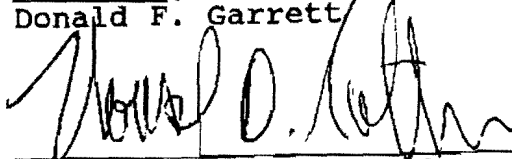
The State acknowledged that these identical issues were addressed and decided in New York State Dept. of Social Services, DGAB No. 759 (1986); and New York State Dept. of Social Services, DGAB No. 932 (1988). The State requested that the Board issue a summary decision consistent with the findings and determinations we made in those decisions. The Agency did not object to this course of action.

We therefore sustain the disallowance of \$570,644 based on Decisions No. 759 and No. 932 (which we incorporate by

reference here), subject to possible reduction in accordance with those decisions.



Donald F. Garrett



Norval D. (John) Settle



Judith A. Ballard
Presiding Board Member