

DEPARTMENTAL GRANT APPEALS BOARD

Department of Health and Human Services

SUBJECT: New York State Department of Social Services DATE: August 19, 1986
 of Social Services
Docket No. 86-138
Decision No. 776

DECISION

The New York State Department of Social Services (State) appealed a decision by the Social Security Administration (Agency) disallowing \$801,195 in federal financial participation claimed by the State under section 403(a) of the Social Security Act (Act) for the calendar quarter ending December 31, 1985. 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.

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)(3).

The State acknowledged that these identical issues were addressed and decided in New York State Department of Social Services, Decision No. 759, June 13, 1986 (although, as the Agency pointed out, the State did not accurately describe the holding in that case). The State requested that the Board issue a summary decision consistent with the findings and determinations we made in Decision No. 759. The Agency did not object to this course of action.

We therefore sustain the disallowance of \$801,195, based on Decision No. 759, which we incorporate by reference here.

Donald F. Garrett

Norval D. (John) Settle

Judith A. Ballard
Presiding Board Member