

DEPARTMENTAL GRANT APPEALS BOARD

Department of Health and Human Services

SUBJECT: New Jersey Department of Human Services DATE: July 31, 1981
Tocket No. 81-100-NJ-CS
Decision No. 199

DECISION

In an application for review filed July 10, 1981, the State requested review by the Board of a determination of the Regional Representative, Region II, Office of Child Support Enforcement, dated June 10, 1981, disallowing Federal financial participation in the amount of \$16,845 claimed for the quarter ended June 30, 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 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 No. 146, January 29, 1981; Decision No. 153, February 27, 1981; and Decision No. 195, June 30, 1981. The State in the instant appeal relies on the brief submitted by it in the proceedings in Decision No. 135 and requests an expedited decision in the appeal.

The conclusion of the Board in Decision No. 135, which was reaffirmed in the other decisions cited above, 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 the instant case represent adjustments for periods prior to October 1, 1979 which were included in the State's claim for the quarter ended June 30, 1980. It is possible that some of these costs were incurred within a reasonable period of time after receipt of the action transmittal and are therefore allowable.

No material facts are in dispute. Accordingly, based on the Board's prior decisions cited above, we sustain the disallowance 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