

**Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016**

Summary of Financial Statement Findings

Finding Number	Finding
2016-001	The State should improve internal controls over the processing and recording of Unemployment Insurance premium payment and wage information and accounting for program activities in the Guaranteed Education Tuition program's (GET) to ensure accurate reporting.

Summary of Federal Findings

Finding Number	Finding
2016-002	The Department of Social and Health Services improperly charged \$3.6 million to multiple federal grants.
2016-003	The Department of Health did not have adequate internal controls over and did not comply with requirements to monitor local agency operations timely and at the minimum percentage for the WIC program.
2016-004	The Department of Social and Health Services did not have adequate internal controls over and did not comply with public assistance cost allocation plan requirements.
2016-005	The Employment Security Department made unsupported payments to Trade Readjustment Allowance program participants under the Unemployment Insurance program.
2016-006	The Employment Security Department did not establish adequate internal controls over its Next Generation Tax System, which led to improper computations of employer unemployment insurance tax rates.
2016-007	The Department of Transportation did not have adequate internal controls over and did not comply with federal wage rate requirements for the High-Speed Rail Corridors program.
2016-008	The Department of Enterprise Services did not have adequate internal controls over and was not compliant with federal wage rate requirements for the Grants to States for Construction of State Home Facilities program.
2016-009	The Department of Services for the Blind failed to establish adequate internal controls over, and was not compliant with, federal requirements to determine client eligibility for the Vocational Rehabilitation program within a reasonable period.

2016-010	The Department of Services for the Blind failed to establish adequate internal controls over and was not compliant with federal requirements to establish timely individual plans of employment for Vocational Rehabilitation program clients.
2016-011	The Department of Social and Health Services failed to establish adequate internal controls over and was not compliant with federal requirements to establish timely individual plans of employment for Vocational Rehabilitation program clients.
2016-012	The Department of Social and Health Services did not establish adequate internal controls over and was not compliant with federal requirements to determine client eligibility within a reasonable period for the Vocational Rehabilitation program.
2016-013	The Department of Social and Health Services did not have adequate internal controls over and was not compliant with requirements to ensure payments paid on behalf of clients and staff time and effort for Vocational Rehabilitation were allowable.
2016-014	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure subrecipients of the Substance Abuse and Mental Health Services Projects of Regional Significance and Block Grants for Prevention and Treatment of Substance Abuse programs received required audits.
2016-015	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to sanction Temporary Assistance for Needy Families program participants who were not cooperative with the Department regarding child support issues.
2016-016	The Department of Social and Health Services did not have adequate internal controls in place for submitting quarterly reports for the Temporary Assistance for Needy Families Grant.
2016-017	The Department of Social and Health Services did not have adequate internal controls in place to ensure compliance with the maintenance of effort requirements for the Temporary Assistance for Needy Families grant program.
2016-018	The Department of Social and Health Services did not have adequate internal controls in place and was not compliant with requirements for submitting quarterly and annual reports for the Temporary Assistance for Needy Families grant.
2016-019	The Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to ensure payments to child care providers for the Temporary Assistance for Needy Families program were allowable.

2016-020	The Department of Early Learning and the Department of Social and Health Services did not have adequate internal controls over and did not comply with requirements to identify and detect fraud in the Child Care and Development Fund program.
2016-021	The Department of Early Learning did not have adequate internal controls over and was not compliant with requirements to ensure payments to child care providers for the Child Care and Development Fund program were allowable.
2016-022	The Department of Early Learning did not have adequate internal controls over and did not comply with health and safety requirements for the Child Care and Development Fund program.
2016-023	The Department of Social and Health Services did not have adequate internal controls over and did not comply with client eligibility requirements for the Child Care Development Fund.
2016-024	The Department of Social and Health Services did not have adequate internal controls over and did not comply with foster care payment rate setting and application requirements for the Foster Care program.
2016-025	The Department of Social and Health Services did not have adequate internal controls over federal eligibility requirements for the Foster Care program.
2016-026	The Department of Social and Health Services did not have adequate internal controls over and did not comply with federal level of effort requirements for the Adoption Assistance program.
2016-027	The Department of Social and Health Services did not have adequate internal controls over federal eligibility requirements for the Adoption Assistance program.
2016-028	The Health Care Authority did not perform semi-annual data sharing with health insurers as required by state law.
2016-029	The Health Care Authority and the Department of Social and Health Services did not have adequate internal controls and did not comply with requirements to ensure Medicaid service verifications were performed for all eligible claims.
2016-030	The Health Care Authority made improper Medicaid payments to Federally Qualified Health Centers and Rural Health Clinics.
2016-031	The Health Care Authority did not repay the federal government for improper payments made to Medicaid Managed Care Organizations.
2016-032	The Health Care Authority did not establish adequate internal controls and did not comply with requirements to ensure it sought reimbursement for all eligible Medicaid outpatient prescription drug rebate claims.

2016-033	The Health Care Authority did not have adequate internal controls over its Medicaid inpatient hospital rate setting process and made overpayments to inpatient hospitals.
2016-034	The Health Care Authority did not have adequate internal controls over and did not comply with requirements to ensure Children's Health Insurance Program funds were claimed for eligible Medicaid expenditures.
2016-035	The Health Care Authority did not notify Medicaid providers of revalidation requirements as required by the Center for Medicare and Medicaid Services.
2016-036	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over requirements to ensure surveys for Medicaid nursing home facilities were completed in a timely manner.
2016-037	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure surveys for Medicaid intermediate care facilities were completed in a timely manner.
2016-038	The Department of Social and Health Services did not have adequate internal controls over its examinations of Medicaid nursing home cost reports.
2016-039	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls over and did not comply with requirements to ensure complaints of abuse and neglect of clients at Medicaid residential facilities were responded to properly.
2016-040	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls to ensure Medicaid Community Options Program Entry System and Community First Choice in-home care providers had proper background checks.
2016-041	The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements for cost of care adjustments paid to Medicaid supported living providers.
2016-042	The Department of Social and Health Services, Developmental Disabilities Administration did not ensure two Medicaid Community First Choice in-home care providers had proper background checks.
2016-043	The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid Community First Choice client support plans were properly approved.

2016-044	The Department of Social and Health Services, Aging and Long-Term Support Administration, did not have adequate internal controls and did not comply with regulations to adequately monitor Adult Family Home providers to ensure Medicaid providers and their employees had proper background checks.
2016-045	The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments to supported living providers were allowable.
2016-046	The Department of Social and Health Services did not accurately claim the federal share of Medicaid payments processed through the Social Service Payment System.
2016-047	Medicaid funds were overpaid to a supported living agency that contracted with the Department of Social and Health Services, Developmental Disabilities Administration.
2016-048	The Department of Social and Health Services, Aging and Long-Term Support Administration, made improper Medicaid payments to individual providers.
2016-049	The Department of Social and Health Services, Developmental Disabilities Administration, did not have adequate internal controls over and did not comply with requirements to ensure Medicaid payments made through the Social Service Payment System to individual providers were allowable.
2016-050	The Department of Social and Health Services did not have adequate internal controls over the level of effort requirements for the Block Grants for Prevention and Treatment of Substance Abuse.

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