



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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AUDITOR-CONTROLLER

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To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne Brathwaite Burke  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: J. Tyler McCauley   
Auditor-Controller

Subject: **Social Security Insurance Assistance Program Staff Restoration**

The Department of Public Social Services (DPSS) operates a Supplemental Security Income Assistance Program (SSIAP) to provide advocacy services to help physically and mentally disabled General Relief (GR) participants apply for Social Security Income (SSI), obtain early SSI approval and become self-sufficient. When participants are approved for SSI, generally, the County receives an Interim Assistance Payment (IAP) from the Social Security Administration (SSA) reimbursing the County for the cost of any GR assistance paid while the SSI application was pending approval.

At your Board's June 26, 2002 meeting, you directed the Chief Administrative Officer and my office to validate the projected cost avoidance and Net County Cost savings associated with the restoration of 14 positions eliminated from DPSS' fiscal year 2002-03 budget for the SSIAP.

**Background**

To address an anticipated budget shortfall for fiscal year 2002-03, DPSS recommended that 14 positions be eliminated from the Department's budget for the SSIAP. The recommended cuts include 12 of 55 Social Worker positions and two of seven Supervising Social Worker positions. DPSS estimates that the loss of these positions will result in a \$2.8 million reduction of IAP revenue annually. In addition, DPSS estimates that an additional \$2.0 million in GR assistance payments will be made, that could have otherwise been avoided had the SSIAP been fully staffed to process all applications for SSI. DPSS believes that the cost of fully funding the SSIAP would be an additional \$755,000 annually.

### **Scope of Review**

Our review consisted primarily of an analysis of a cost-benefit study prepared by DPSS. To evaluate this study, we interviewed DPSS staff and management and reviewed the documentation that supported DPSS' estimates and other amounts included in the cost-benefit analysis.

### **Results of Review**

Although we determined that DPSS' analysis understated the initial cost of restoring the 14 positions to the SSIAP budget and overstated the decrease in IAP revenue that would result from the staff reductions, the Department's overall conclusion that it would be cost effective to restore the eliminated positions to the budget is still accurate. The adjusted cost to restore the 14 positions is estimated to be \$961,633. The adjusted estimates of lost IAP revenue and additional GR assistance payments are \$2,678,938 and \$2,049,755, respectively, for a total of \$4,728,693.

If you have any questions, please contact me, or have your staff contact DeWitt Roberts at (213) 974-0301.

c: David E. Janssen, Chief Administrative Officer  
Bryce Yokomizo, Director, Department of Public Social Services