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**An Audit Report on
Medicaid Client Eligibility Data
at the Department of Human Services**

July 17, 2000

Members of the Legislative Audit Committee:

The Department of Human Services (Department) has processes in place to ensure the integrity of client data in the System for Application, Verification, Eligibility, Referral, and Reporting (SAVERR). The Department uses SAVERR to track client eligibility for Medicaid, Food Stamps, and Temporary Assistance for Needy Families. The State provides these benefits and services to 2 million people each year—or one in ten Texans.

During our testing of 1,849,182 client records (about 37 percent of the database), we did not identify material problems with the data. Individual discrepancies were limited to less than 1 percent of the data. For example, 7,368 clients certified prior to 1999 did not have social security numbers in SAVERR. Also, the social security numbers of 5,383 clients certified before March 1, 1999, had not been validated with the Social Security Administration. Management has already begun to research these client records and will complete its research by August 30, 2000.

**Objective, Scope, and
Methodology**

The objective of this audit was to evaluate the integrity of client data stored in SAVERR. We analyzed certain data elements of the SAVERR database and reviewed the Department's data matching processes.

We also found that the Department effectively uses data matching to identify Medicaid recipients who may receive benefits fraudulently or inappropriately.

We appreciate the courtesy and cooperation of the Department's management and staff during this audit. If you have any questions, please contact Jon Nelson, Project Manager, or Joanna B. Peavy, Audit Manager, at (512) 936-9500.

Sincerely,

Lawrence F. Alwin, CPA
State Auditor

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cc: Members of the Board of Human Services
Mr. Eric M. Bost, Commissioner,
Department of Human Services

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