

## The Disappearing Dispute Resolution Cases

### ICF/OCD dispute resolution numbers

The Housing Task Force of the LRA asked Mike Spletto, one of the officials of the state oversight agency (OCD) on Oct. 9 whether OCD had determined that contractor, ICF Emergency Management Services LLC (ICF), made its target for resolving disputes so as to avoid a contractual specified fine for too many unresolved disputes from applicants challenging their calculated grant awards. He said that OCD verified that ICF had met its other contract-specified targets but that OCD was still working on whether the dispute resolution target had been met because it required careful checking whether or not ICF would incur a large fine for unmet resolution of too many dispute cases.

ICF would be fined \$1,500 for each resolution issue opened after July 1 that lasts more than 60 days, \$2,000 for each case unresolved after 90 days and \$5,000 for each that is more than 120 days old.

Mike Spletto was asked by the Housing Task Force at its Jan. 4 meeting if OCD had yet determined whether ICF met its dispute resolution target for July 1 (six months ago). He replied that OCD was meeting to determine that the following week. As of Jan. 20, the Housing Task Force and the Working Group of the Housing Task Force has not yet been informed of the decision by OCD.

**Number of applicants in dispute resolution as of 7/25/07** according to a table from ICF sent to the Working Group of the LRA Housing Task Force (HTF):

2116, 0-29 days;

2593, 30-59 days;

1200, 60-90 days;

1404, 90-119 days;

329, 120 or more days= **grand total of 7642**

Reference: Excel Table in a file labeled AgedUnresByCat0725 sent from ICF to OCD and then to Working Group of the HTF on 7/25/07 (with breakdown by category):

**Number of applicants in dispute resolution as of 8/16/07 according to ICF:**

2,658, 0-29 days; 891, 30-59 days; 639, 60-89 days; 15, 90-119 days; 8, 120 or more days= **grand total of 4,211**

Reference: Pipeline Report Aug. 10-16, 2007, posted at <http://road2la.org/newsroom/pipeline.htm>

Many applicants told us that their dispute resolution ended in limbo or in their application suddenly being listed as having no dispute, when they checked on line, with no correction of their grant mistake or notification that their dispute was denied.

**Taking a low number of 3,000 cases unresolved for at least 60 days at \$1,500 for each dispute resolution, the fine for ICF should have been \$4.5 million.**

Instead, **one year earlier after this contractual benchmark was missed, LRA and OCD, the state agencies, levied a penalty of only a \$356,879 against ICF.** This fine is **less than 10%** of the low estimate of \$4.5 million. <http://www.nola.com/timespic/stories/index.ssf?/base/library-151/1216185779124240.xml&coll=1>



**Weekly Situation & Pipeline Report**

**Week 59**

**August 10 – August 16, 2007**

OPEN RESOLUTION ISSUES AS OF 8/16/07						
Category	0-29 Days	30-59 Days	60-89 Days	90-119 Days	120 or More Days	Category Total
Owner Occupancy	5	1				6
Policy Appeal	3					3
Post Closing Appointment	2	1	4			7
Pre-Storm Value	406	224	44	2	2	678
Program eligibility pending	1					1
Resolution Expedited Letter	1	1			1	3
SBA	1					1
Second Disbursement	4	1				5
Title	3	3				6
Zero Benefit	1					1
<b>Grand Totals</b>	<b>2,658</b>	<b>891</b>	<b>639</b>	<b>15</b>	<b>8</b>	<b>4,211</b>

**How could ICF have resolved 3431 in 3 weeks?**

CHAT heard from many applicants that they were never informed of any resolution of their dispute but rather their application just moved on at some point to the next step.

Many applicants have filled out our online survey at <http://chatforfairness.org> and told us from August, 2007 through January, 2008 they have been in dispute resolution for more than 6 months without being notified of any resolution.

These data from CHAT contradict the assertion in tables from Sept. 2007 through Jan. 2008 that no one is in dispute resolution for more than two months.

**How can dispute resolution cases be resolved without telling the applicants what the resolution was to all the questions they raised about accuracy of their grant determination?**

How can dispute resolution and appeals be fair when most applicants were unable to obtain a copy of their files to know why their grant amount was erroneously low?

**KPMG's Report States That on 8/16/07 There Were 6,059 Resolution Cases, Almost 2000 More Resolution than ICF Stated and That the Number of Resolution Cases Dropped by Over a Thousand from Aug. 17 to 20, 2007**

The KPMG report on their Road Home Program Assessment states that 6,059 applicants were in dispute resolution as of Saturday, Aug. 16, 2007, not 4,211 as listed in ICF's table for the same day.

The report gives the number of resolution cases as 6002 on Friday, Aug. 17, 2007 and then as 4,816 (1,186 fewer cases) on Aug. 20, 2007, only one working day later.

Reference: Appendix 1, three pages from the end of the KPMG document, which is posted at [chat.thinknola.com](http://chat.thinknola.com)

Application Volume by Status

Application Statuses	8/9/07	8/13/07	8/14/07	8/15/07	8/16/07	8/17/07	8/20/07	8/21/07	8/22/07	8/23/07
Applicant Initial Entry	40104	44051	43997	43882	43810	43726	43620	43589	43533	43492
Initial Application Processing	51262	50527	50225	49700	49343	49308	48275	48112	47618	47256
Submitted to the Agency	6	1	3	1	4	0	49	6	0	3
Application Data Being Verified	22521	24253	24577	24300	24149	24812	25902	26198	26877	27275
Options Letter Created	30312	29143	28695	28324	28354	27720	26607	26159	26019	24678
Option Selected	18069	18806	19038	20081	20373	20618	20637	20737	20406	21000
Pending Verification	4150	4171	4188	4211	4222	4204	877	879	916	987
Ready For Final Review	4851	4663	4671	4685	4652	4672	9564	9628	9562	9547
Eligibility Compliance Review	509	345	251	328	352	504	171	399	619	778
Transmitted for Closing	10337	11233	11543	11768	12069	12380	13464	13537	13876	11571
Ready For Requisition	1	1	1	1	1	1	0	0	0	0
Requisition Resolution	1	1	1	1	1	1	1	1	1	0
Funds Requisitioned	5	5	5	5	5	5	6	9	9	9
Funds Disbursed	32888	32888	32888	32888	32888	32888	32888	32888	32888	35764
Adjustment Pending	1	1	1	1	1	1	1	1	1	1
Adjustment Requested	1	1	1	1	1	1	1	1	1	1
Application Terminated	33	34	34	34	35	35	36	36	37	37
Under Review	147	149	149	151	154	149	134	130	127	138
Hold	891	870	861	851	842	829	808	812	793	775
Benefits Delayed	48	47	46	46	47	46	45	45	45	46
In Resolution	6284	6170	6155	6101	6059	6002	4816	4795	4758	4728
Totals	222421	227360	227330	227360	227362	227902	227902	227962	228086	228086