

APPENDIX AL TO THE 2009 STATE AND COUNTY CONTRACT
COVERING SOCIAL SERVICES, COMMUNITY PROGRAMS AND INCOME MAINTENANCE

Title: Administration of Income Maintenance Programs

It is further understood and agreed to by both parties through this attachment to the calendar year 2009 "State and County Contract Covering Social Services and Community Programs" that:

I. Funds Provided/Period Covered/Contract Administrator

Funds in the amount identified in this contract are provided for the period January 1, 2009 through December 31, 2009.

The Department of Health Services (DHS), Division of Health Care Access and Accountability, employee Tim Holthaus is the Contract Administrator responsible for the administration of this Appendix. The address is:

Department of Health Services
Division of Health Care Access and Accountability
Bureau of Operational Coordination
Attn: Tim Holthaus
1 West Wilson Street, Room 265
Madison, Wisconsin 53703

In the event that the Contract Administrator is unable to administer this Appendix, the Department will notify the County and designate a new Contract Administrator.

II. Definitions

"IM Programs" means FoodShare Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark, Family Care, SSI Caretaker Supplement, the Wisconsin Funeral and Cemetery Aids Program (WFCAP) and, when implemented, BadgerCare Plus Core Plan for Childless Adults. For the purpose of clarity, the Wisconsin Medicaid and BadgerCare Plus Programs include the Medicaid Purchase Plan, Well Woman Medicaid, the Family Planning Waiver, other sub-programs of Medicaid, and the Subrogation and Estate Recovery Program.

"IM Activities" means activities directed by the Department to be performed in the administration of IM Programs which include IM Administration, Public Assistance Fraud Program - Investigation Services, Public Assistance Fraud Prevention Investigation Services, Wisconsin Medicaid and BadgerCare Plus Standard Plan Transportation, W-2 Funeral and Cemetery, Non-W-2 Funeral and Cemetery and FoodShare Employment and Training (FSET).

"Income Maintenance Agency" means the subunit of a County or Tribal government that the Department contracts with to be responsible for administering IM Programs.

"IM Case or case" means a case applying for, enrolled in, or receiving benefits from one (1) or more IM Programs, or a case that had applied for, enrolled in, or received benefits from one (1) or more IM Programs.

III. Purpose and Service Conditions on the Use of the Additional Funds

The County may use these additional funds only for expenses incurred in the administration of IM Programs and in accordance with Department guidelines for the programs. Failure to meet these purposes and conditions will result in the loss of these funds by the County. The County will then be responsible for repayment to the Department.

IV. Fiscal Conditions on the Earnings of the Additional Funds

These additional funds are earned as follows:

- These funds may be used for all approved purposes as specified in Section III and may be earned without regard to other funding sources.
- The Department shall apply these conditions in determining the close of the contract. The amount of a subsequent audit adjustment on the funds in this contract shall be based exclusively on these conditions.

V. Fiscal and Member Reporting on the Use of the Additional Funds

These additional funds must be reported according to the Community Aids Report System (CARS) Consolidated County HS/IM Programs Manual, at <http://dhfs.wisconsin.gov/bfs/CARS/index.htm> as directed by the Department for Income Maintenance Activities.

Failure to report these funds as specified above will result in the loss of these funds to the County. The county will then be responsible for the repayment to the Department.

VI. Payment Procedures

Unless otherwise provided in this Appendix AL, these funds shall be paid in accordance with the processes in the State and County Contract Covering Social Services, Community Programs and Income Maintenance.

VII. IM Agency's Responsibilities for IM Programs

The IM Agency will perform services for the IM Programs in accordance with Wisconsin statutes and administrative rules; federal laws and regulations; court orders; and the Department's policies and procedures for IM Cases in effect and disseminated in Administrator's Memos, Operations Memos, handbooks or manuals.

Agencies may not modify state designed and required forms or publications. Agencies may not substitute their own application or other forms, unless approved by DHS. Agencies are permitted to translate these state forms and publications to other languages as needed, if not available from DHS.

The IM agency shall notify the Contract Administrator of this Appendix AL within 10 business days whenever an IM agency relocates their IM facility. In addition, the IM agency shall update all contact information as required by the Department. The administration of IM Programs includes the following activities:

- Entering member data into the designated automated system for IM Programs.
- Accurately explaining IM Programs and policies to members and others as needed.

- Collecting a premium; running and confirming eligibility in the designated automated system for IM Programs.
- Requesting and processing verifications; establishing a claim when an overpayment occurs; explaining estate recovery and filling out appropriate forms.
- Preparing a response for and fully representing the interests of the IM Program at fair hearings.
- Performing all responsibilities related to operations of Electronic Benefit Transfer (EBT) under the FoodShare Program.

Additional activities are outlined in the CARS Consolidated County HS/IM Programs Manual under CARS Profile 76.

VIII. IM Training

“IM Worker” means a person employed by a county or tribe whose duties include determinations or re-determinations of IM program eligibility.

“New IM Worker” means an IM Worker who has not completed initial IM Worker training.

The Department shall make initial IM Worker training available to New IM Workers directly or through contractors. The IM Agency shall ensure that each New IM Worker completes the Department’s initial IM Worker training during the first six (6) months of employment or, if the training was not available during the first six (6) months, then as soon as the training becomes available.

The Department shall develop an ongoing course(s) for experienced IM Workers and shall make the course(s) available each year directly or through contractors. The Department shall define required training courses and develop a standardized curriculum. Agencies are required to ensure that IM Workers complete mandatory training and demonstrate knowledge of and ability to correctly apply the training information through a mandatory assessment that will be administered by DHS after the training is completed. DHS will seek advice from the Income Maintenance Advisory Committee (IMAC) in determining which training(s) shall be mandatory and for which local agency staff.

Under the Food and Nutrition Services (FNS) 113 Civil Rights Handbook, the IM agency shall ensure that all FoodShare eligibility workers and FoodShare supervisors receive civil rights training annually during each federal fiscal year. DHS will provide local agencies with training information and materials.

The IM Agency shall ensure that experienced IM workers have knowledge of and ability to correctly apply policy and process changes upon the release date or effective date, whichever is later, of Operations Memos or other training materials, handbooks or manuals. Exceptions to the time period will be identified for specific training items at the discretion of the Department and at the time of publication of the document(s). If the IM Agency fails to meet IM training requirements as described in this provision, the Department may implement the Corrective Action provisions as set forth in Section XVIII of this Appendix.

IX. Customer Service Feedback

The IM Agency shall gather feedback from applicants and members concerning their level of satisfaction with IM services, to identify barriers to the provision of quality services, and to identify ways to improve service delivery. The IM Agency will use the Department's Standard Customer Service Feedback form (HCF 16104) to assess their customer service delivery system. The Feedback form will solicit customer input about the quality of service provided by agency staff. Feedback forms should be made available for customers to complete in the agency. The IM Agency must submit the completed Customer Service Feedback forms quarterly to the Contract Administrator for this Appendix. Results will be reviewed as part of the IM Agency's Management Evaluation Review (MER).

X. IM Agency Performance Standards

The following performance standards are defined for the contract:

A. Overpayment Recovery

As part of effective case management, local agencies have an obligation to process claims for recoverable Wisconsin Medicaid, BadgerCare Plus, and FoodShare overpayments. It is the expectation of the Department that agencies will process claims for a majority of their recoverable overpayments, as appropriate, to ensure program integrity.

B. Timely Case Processing

All FoodShare and Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark applications that do not involve a disability determination must be processed within 30 days. Expedited FoodShare benefits must be processed within seven (7) days. If the IM Agency does not meet a 95% standard for timely application processing, the Department may implement the Corrective Action provisions as set forth in Section XVIII of this Appendix. For CY 2009 this standard is information only. During the course of CY 2009 the Department and IMAC will develop a report that will accurately measure and reflect this standard.

C. Payment Accuracy - Second Party Reviews

The IM Agency will complete 100% of the Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark and FoodShare Second Party Reviews as defined by the Department. If the IM Agency does not complete 100% of the Second Party Reviews required by the Department, the Department may implement the Corrective Action provisions as set forth in Section XVIII of this Appendix.

D. Case Closure Accuracy - FoodShare Negative Case Error Rate

The FoodShare negative case review measures the accuracy of case denials and terminations. The negative error rate for FoodShare cases in the IM agency must not exceed 6% annually. If the negative error rate for FoodShare cases in the IM Agency exceeds 6%, the Department may implement the Corrective Action provisions as set forth in Section XVIII of this Appendix.

E. Payment Accuracy - FoodShare Active Payment Error Rate

The FoodShare payment case review measures the accuracy of eligibility and benefit determinations. The payment error rate for active FoodShare cases in the IM agency must not exceed 5.5% annually. If the payment error rate for active FoodShare cases in

the IM Agency exceeds 5.5%, the Department may implement the Corrective Action provisions as set forth in Section XVIII of this Appendix.

F. Payment Accuracy – Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark Active Payment Error Rate

The payment error rate for Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark cases in the IM agency must not exceed 3% annually. The Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark payment error rate is measured using the Payment Error Rate Measurement (PERM) methodology. The payment error rate is calculated by dividing the sum of overpayments and underpayments by the total amount of Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark claims paid on the members' behalf during the sample month. If the payment error rate for Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark cases in the IM Agency exceeds 3%, the Department may implement the Corrective Action provisions as set forth in Section XVIII of this Appendix.

G. Responsibility to Prepare for and Attend IM Fair Hearings and Comply with Orders on a Timely Basis

When a person is dissatisfied with a county or tribal agency's action on his/her request for or amount of benefits, the member may request an administrative review by the Division of Hearings and Appeals (DHA) through the fair hearing process. Agencies are required to prepare for and attend all fair hearings pertaining to an action of the IM Agency. This includes ensuring that all documents that support the action taken by the agency are available. Agencies are required to thoroughly document events pertaining to the issue with date, place, and identity of any person involved and be prepared to introduce at the hearing any testimony, exhibit(s), and material from the case record and other sources pertinent to a decision. Agencies are also required to comply with remand and stipulation orders by the deadline stated in the decision. The MOUA order is a permanent injunction that was imposed against the Department by the U.S. District Court – Western District of Wisconsin in 1990. The court order requires definitive and final administrative action be taken by the Department within the time lines required by law for fair hearings conducted in FoodShare and Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark appeals. The Department is subject to fiscal penalties for each month in which it does not achieve substantial compliance (95%) with the requirement and for each individual case in which a fair hearing was requested and for which final administrative action has not been taken within 150 days of the hearing request for Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark cases and within 120 days of the hearing request for FoodShare cases. The penalty for each individual case is \$500.

If a penalty is levied for not achieving substantial compliance, the IM Agency will be required to pay the proportionate share of the penalty amount based on the number of cases for which the agency failed to comply with the order. If a penalty is levied for an individual case, the IM Agency will be required to pay the penalty amount unless the delay resulted from circumstances beyond the IM Agency's control. The Department will be the sole determiner as to what is a circumstance beyond the IM Agency's control.

XI. Reporting

The IM Agency shall submit reports specified by the Department, as necessary, to comply with federal and state requirements.

XII. Information Technology Requirement

The IM Agency shall provide for information technology security in accordance with the Department's policies and procedures.

XIII. Procurement and Subcontracting

A. Applicable Law

The IM Agency agrees to conduct all procurement transactions in a manner consistent with all applicable federal and state requirements.

B. Equipment

The IM Agency agrees to comply with the Department's policies and procedures regarding equipment procured under this Appendix AL including inventories, minimum operating standards, installation, ownership, depreciation, moves, repair and maintenance. The Department may permit a waiver of depreciation of equipment on a case-by-case basis when allowed by federal and state law for purchases made with funds provided under this Appendix AL.

C. Agency Responsible

The IM Agency remains responsible for performance of any service under this Appendix AL that is subcontracted.

D. Subcontracting

The IM Agency may subcontract for some or all of the services covered by this Appendix AL with the exception of eligibility determination, which must be performed by the IM Agency or under agreement with other IM Agencies. Subcontracts must adhere to Wis. Stats., Section 46.036 and the Department's policies and procedures. All subcontracting arrangements must be approved by DHS as described in the Administrator's Memo Series.

E. Instructions and Monitoring

The IM Agency shall establish instructions and monitoring procedures to ensure each subcontractor complies with this Appendix AL, applicable state and federal laws, rules and regulations and the Department's policies and procedures.

F. Related Parties

Prior to signing a subcontract with a "related party" as defined in the Department's Financial Management Manual, and regardless of the subcontract approval procedure used, the IM Agency shall notify the Department's Contract Administrator of any such proposed subcontract.

XIV. Cooperation

The IM Agency shall cooperate with the Department, W-2 Agency, any other IM Agency, and the contractors of the Department and of any IM or W-2 Agency in the administration of IM Programs.

XV. Funding Change

The IM Agency agrees that the obligations of the Department under this Appendix are limited by and contingent upon legislative authorization and budget appropriations. If, during the Contract term, the appropriations which fund programs under this Contract are not made or are repealed or reduced by actions of the Legislature or otherwise, then the Department shall notify the IM Agency which services shall be performed by the IM Agency. If the IM Agency makes a determination that additional changes in required services are necessary because of the lack of funds, the IM Agency may, within 30 calendar days, present a proposed plan to the Department for modifications in required services, and the Department will respond within 30 calendar days to such a proposed plan in making its final decision on the services to be performed.

XVI. Payment

A. Federal Matching Funds

The Department will make a concerted effort to obtain County Share/Federal Match (earned) for IM Programs and will pass through to the County any federal funds earned above the County's Income Maintenance Administrative Allocation (IMAA).

Federal funds are earned through the Income Maintenance/Wisconsin Works Random Moment Sample (IM/W2 RMS) in accordance with the federally approved cost allocation plan. The County will participate in the IM/W2 RMS. The County will report shared costs in compliance with instructions for the IM/W2 RMS. The Department and the IM Agencies intend to work together to ensure appropriate federal earnings.

B. Allocation Adjustment

It is the intent of the Department and the IM Agencies to work together to assure that all funds available for the administration of the IM Programs are used effectively and timely.

C. Enhanced Federal Funding

The Department and the IM Agencies, through the IM Advisory Committee, shall jointly develop options for the Department's consideration concerning opportunities to receive performance bonuses for the FoodShare Program.

XVII. On-Site Visits

The Department may conduct such on-site visits as the Department deems necessary to determine the IM Agency's compliance with this Appendix AL.

XVIII. Corrective Action

Corrective Action is defined as an action by the IM Agency that the Department deems necessary to remedy non-compliance with this Contract or Appendix AL.

A. Requirement to Submit

Within five (5) business days of receipt by the IM Agency of notice of failure to perform any provision of this Appendix AL, including meeting performance standards, the IM Agency shall submit to the Department, for approval, a Corrective Action Plan to address the deficiency. The Corrective Action Plan must be submitted to the DHS Regional Office and the Contract Administrator of this Appendix.

B. Failure to Submit or Implement

Failure by the IM Agency to submit an approvable Corrective Action Plan or failure by the IM Agency to implement a Corrective Action Plan within 10 business days of approval of the Corrective Action Plan will constitute uncorrected non-performance and result in a payment adjustment under Section 3.05 of this Contract. A Corrective Action Plan is considered approvable if it is determined by the Department that the plan was submitted timely and meets all of the requirements identified by the Department in the Department's notice under this Section.

XIX. Disputes

Income Maintenance Advisory Committee (IMAC) is defined as a body of local representatives selected under the Department's policies and procedures to provide input and advice to the Department on matters relating to IM Programs and the Appendix AL. In addition, the IM Advisory Committee serves as the body that may, at the Committee's discretion, receive, hear, and make recommendations to the Department in disputes in accordance with this Section.

Notwithstanding the provisions of this Contract, the County's sole and exclusive method of resolving any dispute or controversy arising out of or relating to this Appendix AL shall be the complaint process provided in this Section.

The County may address a written complaint to:

Division of Health Care Access and Accountability
Attn: Administrator
1 West Wilson Street, Room 350
Madison, Wisconsin 53703

At the same time the complaint is filed with the Division Administrator, the complaint may also be filed with the IM Advisory Committee (with notice to the Division Administrator) for the Committee's consideration. The IM Advisory Committee may consider the complaint no later than at its next regularly scheduled monthly meeting. If the complaint is not filed with the IM Advisory Committee, the Division Administrator shall respond in writing within 15 business days, or as soon as possible, to resolve the complaint. If the complaint is filed with the Committee, the Division Administrator shall respond within 15 business days of receipt of the IM Advisory Committee's recommendation, or as soon as possible to resolve the complaint. If the Division Administrator is unable to respond to the complaint within 15 business days, the Division Administrator shall notify the Agency within the 15 days of the date by which a response can be expected. If the County is not satisfied with the response, the County may request a review of the response by the Wisconsin Division of Hearings and Appeals (DHA). The request must be filed with DHA within 15 calendar days of the date of the Division Administrator's response. The Division of Hearings and Appeals shall conduct the hearing as if it were a Class 3 case hearing under Wis. Stats, Chapter 227 and prepare a proposed decision. The County and the Division shall have the opportunity to file objections and comments within 10 calendar days of the date of the proposed decision. The DHA will forward the proposed decision and all objections and comments to the Department's Secretary for final decision. The decision of the Department's Secretary shall be binding on all parties and not subject to Ch. 227 judicial review.

XX. Agency Preventable Errors Assessment

"Agency Preventable Error" means an error in calculation or issuance of FoodShare benefits which the IM Agency could have prevented through the correct application of the Department's policies and procedures in effect and disseminated in Administrator's Memos, Operations Memos, Handbooks or Manuals and taking appropriate action on the case. The case file may be paper or electronic and includes, but is not limited to, information in CARES, KIDS, data exchanges and interfaces accessible at the time the determination was made.

A. Accountability

The IM Agency will be held accountable for Agency Preventable Errors. An Agency Preventable Error assessment may be made for each inaccurately issued benefit. The error assessment will be imposed if the following criteria are met:

1. Wisconsin has been assessed a sanction during the contract period by the federal government for FoodShare errors.
2. The IM Agency has a sample of 30 or more cases that were selected and reviewed for the Federal Quality Control sample.
3. The IM Agency has a FoodShare error rate either above the federal tolerance level, or 6%, whichever is higher for the time period for which Wisconsin has been assessed a sanction.

B. Method

The following method is used to calculate the error assessment for the IM agency:

1. The Department will calculate the Agency Preventable Error dollar amount statewide as a percentage of the total dollars in error statewide. This percentage is applied to the federal sanction amount assessed against the state to derive the maximum amount statewide that the Department will pass-through to IM Agencies.
2. The Department will calculate the IM Agency's Agency Preventable Error as a percentage of the statewide Agency Preventable Error amount. This percentage will be applied to the maximum amount statewide that the Department has determined will be passed-through to IM Agencies to determine the error assessment for the IM agency.
3. The amount of the error assessed against the IM Agency shall be 1% of the IM Agency's base Income Maintenance Administration Allocation (IMAA), or the actual amount as calculated in item 2 above, whichever is lower.

For the purpose of item 3 above, the base IMAA includes any one-time supplemental funding provided to the County for IM administration for the calendar year. The base IMAA does not include:

- The separate allocations for fraud; program integrity; Wisconsin Medicaid and BadgerCare Plus Standard Plan transportation; W-2 funeral and cemetery, or non-W-2 funeral and cemetery, and FSET; funding provided under the family care addendum; estate recovery incentive payments; or
- County IM contributions (overmatch).

For example, if the statewide total dollars in error is \$10,000 and the Agency Preventable Error portion is \$5,000 then 50% of any sanction would be associated with Agency Preventable Error. If the state received a sanction of \$400,000 then 50% (\$200,000) would be associated with Agency Preventable Error and subject to a pass-through.

If an individual IM Agency accounted for 20% of the state's total Agency Preventable Error then that IM Agency would be sanctioned \$40,000 (20% of \$200,000) or 1% of the IM Agency's base IMAA, whichever is less.

The IM Agency will receive notice of the total Agency Preventable Error assessment for a federal fiscal year no later than 60 calendar days following receipt by the Department of the official sanction notification from the federal government that Wisconsin has exceeded the national error tolerance level. The notice to the IM Agency will include the amount that will be withheld from the IM Agency's reimbursement payment.

XXI. Joint Error Reduction Initiatives

The Department agrees to work with local agencies through the IMAC and its subcommittees to jointly develop strategies to effectively address payment accuracy in IM Programs. One of the subcommittees will function as a technical work group focusing on quality assurance to propose balanced strategies that specify actions at both the state and local levels needed to reduce the most costly errors. Options to be considered shall include, but not be limited to, additional training at a level of detail and specificity local agencies deem necessary, policy revisions to simplify IM Program administration, streamlined and current policy communication procedures, best local practices identified by agencies with low error rates, automated systems modified or developed to assure accuracy and promote effective use by line staff, and local reinvestment options for counties to offset penalty amounts.

XXII. Liquidated Damages

- A. Liquidated damages for errors identified through the FoodShare Quality Assurance (FSQA) Review, Medicaid Eligibility Quality Control (MEQC) Review, and Payment Error Rate Measurement (PERM) Review.

In addition to other remedies in this Contract or this Appendix AL, the Department may conduct a review of any of the activities under this Appendix AL to assure that eligibility and benefits are accurately determined and certified for all IM Programs. IM Case specific errors must be corrected as identified through SQA reviews, MEQC reviews, and PERM reviews, which could include termination of current and future benefits, the calculation of overpayment amounts and claims establishment, or restoration of benefits that were incorrectly under-issued, denied or terminated.

1. When the Department identifies an error in benefits the IM Agency will have 30 calendar days from receipt of written notification of the error from the Department to correct the error or provide the Department with a good faith refutation of the corrective action needed. When an error in benefits is not corrected within 30 calendar days, liquidated damages will be assessed in the amount of \$250 per case. For each additional 30 days the IM Agency fails to correct the case specific error, liquidated damages will be assessed in the amount of \$250 per case. If the Department takes action to correct the IM case specific error, additional liquidated damages will be assessed in the amount of \$250 per case.
2. When the Department identifies an overpayment which requires claims establishment, the IM Agency will have 30 calendar days from receipt of notification of the error from the Department to calculate the overpayment and establish a claim. When an overpayment claim is not established within 30 calendar days, liquidated damages will be assessed in the amount of \$250 per case. For each additional 30 days the IM Agency fails to calculate the overpayment and establish a claim, liquidated damages will be assessed in the amount of \$250 per case. If the Department takes action to calculate the overpayment and establish a claim, additional liquidated damages will be assessed in the amount of \$250 per case.
3. When the Department identifies an underpayment which requires a restoration of benefits, the IM Agency will have 30 calendar days from receipt of notification of

the error from the Department to calculate the underpayment and restore benefits. When an underpayment is not restored within 30 calendar days, liquidated damages will be assessed in the amount of \$250 per case. For each additional 30 days the IM Agency fails to restore benefits, liquidated damages will be assessed in the amount of \$250 per case. If the Department takes action to calculate the underpayment and restore the benefits, additional liquidated damages will be assessed in the amount of \$250 per case.

B. Liquidated Damages for Failure to Provide Records

The IM Agency shall provide information in a form and manner prescribed by the Department, using the CARES system and other systems designated by the Department. The IM Agency shall use the schedules for record retention in accordance with the Department's policies and procedures and state and federal law.

Upon request, the IM Agency shall make records available to the Department for inspection. Upon 10 business days notice from the Department, the IM Agency further agrees to transfer to the Department or any entity designated by the Department, any original or copy of records that the Department requests during or after the contract term. Failure to provide records as requested may result in an assessment of liquidated damages in the amount of \$250 for each record requested that is not timely made available or transferred.

Open Records Law: The IM Agency acknowledges the applicability of the Wisconsin Open Records Law, Wis. Stats., Sections 19.31, et. seq.

C. Liquidated damages or any other non-performance assessment cannot be claimed for reimbursement under any DHS programs/profiles.

XXIII. Public Assistance Fraud Program

The County remains the prime contractor for fraud prevention and investigation services under Sections XXIV or XXV. The County may authorize an agency within the County, or may subcontract, with a private investigator or agency, to provide fraud prevention and investigation services. Fraud investigations shall be conducted in accordance with the Department's policies and procedures.

The County shall ensure the establishment of safeguards to prevent employees or contractors from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family, business, or other ties as specified in Wis. Stats., Sections 946.10 and 946.13.

For fiscal and program activity reporting, the County must report eligible expenses and case specific information concerning investigations on the CARES system in accordance with the Department's policies and procedures.

XXIV. Public Assistance Fraud Program – Investigation Services (This section applies to Counties NOT participating in the Fraud Prevention and Investigation (FPI) Program.)

Investigation Services consists of two components:

- Program Integrity (PI)

The County may authorize an agency within the County or may subcontract to provide the PI Services in accordance with its fraud program annual allocation from the Department.

- Fraud Investigation (INV)

The County Agency is responsible for providing referrals for INV Services to the investigator and taking appropriate case action in accordance with the outcome of the investigation.

The funds provided for Public Assistance Fraud Program Investigation Services may be used by the County only for the purposes as designated for PI and INV services.

Each county will report its Fraud Program administrative expenses on a separate CARS profile.

XXV. Public Assistance Fraud Prevention Investigation (FPI) Program

Some larger counties may implement the FPI Program as a stand alone agency while others may join a consortium of agencies, with one agency serving as the Consortium Lead Administrative Agency.

A. Fraud Prevention Investigation Services – Consortium Lead Administrative Agency

The Consortium Lead Administrative Agency is responsible for providing Public Assistance Fraud Prevention Investigation Services as part of the Public Assistance Fraud Program. The County may authorize an agency within the County or may subcontract to provide the Fraud Prevention Investigation Services in accordance with its Fraud Prevention Investigation yearly grant application/agreement, as approved by the Department. The County remains the prime contractor for Fraud Prevention Investigation Services for the Consortium.

B. Fraud Prevention Investigation Services – Referral Agency

As a member of a consortium the County is responsible for providing referrals for Public Assistance FPI Services to the Fraud Prevention Investigation contractor designated by the Consortium Lead Administrative Agency for the FPI Consortium.

The County shall be responsible for cooperating with the FPI investigator designated by the Consortium Lead Administrative Agency and to provide documentation and staff support for post investigation activities relating to referrals concerning cases administered by the County.

The funds provided for Fraud Prevention Investigation Services may be used by the County only for the purposes as designated for FPI services.

For counties designated as pilot counties in the Fraud Prevention Investigation (FPI) Program, either as a stand-alone agency or as a member of a consortium, investigation expenses will be reported in CARS by the stand-alone county or by the Consortium Lead Administrative Agency. Each county will report its administrative referral expenses on a separate CARS profile.

XXVI. Benefit Over-Issuance Recovery

The Department agrees to post and process the collection of offset tax returns, centrally collected funds, and all refunds of centrally collected funds to CARES for FoodShare, Wisconsin Medicaid, and BadgerCare Plus Standard Plan and Benchmark over-issued benefits as allowed by federal and state law.

The County agrees to post and process all collections and refunds of locally collected funds to CARES for FoodShare, Wisconsin Medicaid, and BadgerCare Plus Standard Plan and

Benchmark over-issued benefits. Local County collections will be posted (net of any refunds and cash adjustments) to CORE by the Department of Children and Families.

The County will receive a 15 percent incentive for claims established by the County for FoodShare, Wisconsin Medicaid, and BadgerCare Plus Standard and Benchmark fraud and member error collections in accordance with Department guidelines and as defined in Wis. Stats., Sections 49.497 and 49.793. If the State establishes the claim, the County will not receive the 15 percent incentive.

XXVII. Funeral and Cemetery Aids

Budgeted funds appear on CARS for W-2 Funeral and Cemetery and for Non-W-2 Funeral and Cemetery in one allocation, separate of other provided funds. Contract amounts shown on CARS are established for prepayment purposes. Reported expenditures will be fully reimbursed consistent with program requirements and limitations.

The County may use these funds only for the purposes of providing allowable funeral, burial and cemetery expenses consistent with requirements and limitations found in the Department's policies and procedures. The IM Agency shall report data on the Wisconsin Funeral and Cemetery Aids Program (WFCAP) as directed by the Department.

XXVIII. Wisconsin Medicaid and BadgerCare Plus Standard Plan Transportation

Budgeted funds appear on CARS for Wisconsin Medicaid and BadgerCare Plus Standard Plan transportation separate of other provided funds. Contract amounts shown on CARS are established for prepayment purposes. Reported expenditures will be fully reimbursed consistent with program requirements and limitations.

XXIX. Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark – Estate Recovery Program

Funds based on five (5) percent of recoveries/collections will be returned to the County for recoveries made by the Department for the cost of Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark benefits from probated estates, liens and voluntary payments of certain Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark members. To be eligible for these funds, the County must complete and submit the Estate Recovery Program Disclosure Form (HCF 13039) at <http://dhfs.wisconsin.gov/forms/DHCF/HCF13039.pdf> in accordance with program requirements in the Medicaid Eligibility Handbook.

The amount of funds earned is determined by the amount of funds recovered from Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark members to offset Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark benefits as a direct result of information gathered and processed by the County. Amounts earned will be added to the County's IMAA on a quarterly basis. Funds may be used by the County to enhance IM efforts (e.g., gathering real estate information, gathering health insurance information, enhancing other IM Program efforts deemed necessary by the County, etc.).

Responsibilities of the County include, but are not limited to:

- Informing Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark members of any age residing in a nursing home or inpatient hospital and members age 54 ½ and older of the existence of the Estate Recovery Program.
- Distributing the Estate Recovery Program brochure (PHC-13032) and any other publication as directed by the Department.

- Reporting information on the Estate Recovery Program Disclosure Form (HCF-13039) at <http://dhfs.wisconsin.gov/forms/DHCF/HCF13039.pdf>. This form is to be completed at the time of application or at the time of the eligibility review, if there is a substantial change in circumstances.
- Determining whether or not a lien can be filed on the home property of a Wisconsin Medicaid and BadgerCare Plus Standard Plan and Benchmark member in a nursing home or inpatient hospital.
- Sending the member or responsible party a "Notice of Intent to File a Lien" form (HCF-13038) and sending a copy of the Notice to the DHS/Estate Recovery Program Section.

Responsibilities of DHS include, but are not limited to:

- Filing all liens and claims on estates for the Estate Recovery Program based on information provided by the County.
- Providing the County with a quarterly report of fees earned.