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**State of Wisconsin
Governor Scott Walker**

**TO: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators**

**FROM: Shawn Smith, Bureau Director
Bureau of Enrollment Policy & Systems
Division of Health Care Access and Accountability**

BEPS/DFS OPERATIONS MEMO					
No: 12-44					
DATE: 08/13/2012					
FS	<input checked="" type="checkbox"/>	MA	<input checked="" type="checkbox"/>	BC+	<input checked="" type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
BC+ Basic	<input checked="" type="checkbox"/>	BC+ CORE	<input checked="" type="checkbox"/>		
CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
RAP	<input type="checkbox"/>	WIA	<input type="checkbox"/>	Other	<input type="checkbox"/> *
EP					

SUBJECT: FoodShare and Health Care Second Party Review Process

CROSS REFERENCE: [Administrators Memo 06-02](#); [Op Memo 06-05](#);
[IMQA 2nd Party Review Manual](#)

EFFECTIVE DATE: AUGUST 23, 2012

PURPOSE:

The purpose of this memo is to provide the Consortia with information regarding the process by which FoodShare and health care cases will be reviewed by Centralized Second Party Review staff through the new Income Maintenance Quality Assurance (IMQA) review functionality in CARES Worker Web. The purpose of the Second Party Review process is to improve payment accuracy and program integrity, and to identify areas for improvement in State-provided training, policy and systems. The centralized Second Party Review staff will be able to monitor performance at the local consortia and state levels in order to reduce fraud, waste and abuse.

BACKGROUND:

Administrators Memo 06-02 and Operations Memo 06-05 introduced agencies to the Second Party Review requirements and process for FoodShare and health care via the IMQA tool. In response to Wisconsin Statute 49.78 (2r)(b) that was enacted as part of the 2011-13 State Biennial Budget, second party reviews are one of the administrative functions related to income maintenance that the Department will now be performing.

OVERVIEW:

A monthly sample will be pulled from the State's FoodShare and health care universe of cases on the first Saturday of each month, beginning Saturday, September 1, 2012. For the purposes of the second party review, DHS and the IMQA tool have combined the health care categories into one of four categories: BC+, EBD MA, Institutional (LTC) and Community Waivers (CW).

Cases randomly selected in the sample may be open for FoodShare only, health care only, or a combination of both FoodShare and health care. The "sample month" is the month that the case was included in the sample. The "review month" is the month in which the action was taken that granted or extended eligibility. The "benefit month" is the first month in which the action taken impacts the eligibility or benefits.

The sample will be broken down into two main groups: active and negative cases. The active cases are those in which at least one individual was certified for health care in the sample month, or a FoodShare allotment was issued in the sample month. The negative cases are those in which either health care benefits or FoodShare benefits were denied or terminated in the sample month.

The health care only cases selected for the review sample:

- Have had a confirmed application or review in the previous month for actives,
- Have had a confirmed termination or denial in the previous month for negative cases,
- Include all health care case types,
- Consist of case types proportional to the percentage of case types in an agency's health care caseload and the State's health care Universe of cases.

The combination FoodShare/health care cases selected for the review sample:

- Have had a confirmed application or review in the previous month for actives,
- Have had a confirmed termination or denial in the previous month for negative cases; and
- May have a combination of health care and FoodShare programs open, or only FoodShare open.

PROCESS:

When a case is selected for a Second Party Review, the State's Second Party Review Unit will review the elements of the case utilizing the new IMQA tool in CARES Worker Web. The IMQA Second Party Review function pulls all of the following required information about each case in the monthly sample from CARES (and will only consider non-deleted rows):

- Program
- Household members
- Application (health care and/or FoodShare)
- Non-financial
- Employment
- Other income
- Self-employment
- Expenses and asset

All components that impact the case members' eligibility for the programs that have had a confirmed review or application in the sample month will be reviewed. For negative cases, the reason for denial or termination will be reviewed to determine whether benefits were denied or terminated correctly. Notice requirements and reporting timeframes are taken into consideration in the review determination. Second Party Review Unit staff will use information in the Electronic Case File, Cares Worker Web (CWW) and third party data exchanges to determine the accuracy of eligibility in the month under review.

FINDINGS:

Once a second party review has been conducted on a case and no errors have been found, the review will be marked "Complete" and no action will need to be taken on the part of the consortia. If a technical error is discovered, it will be logged and a separate file of technical errors will be compiled for each consortium on a monthly basis and emailed to the consortia contact. A technical error would be cited when the error does not cause the eligibility to be in error or when the error does not cause an improper payment on the case. Follow up action will need to be taken on technical errors; however, the consortia will not need to contact the Second Party Review Unit to notify them of the corrective action taken.

If an error is found that impacts eligibility during the review process, the consortia contact in each consortium will receive an error letter via email containing a Review Number for that case. The Review Number will be used to locate the specified case within the IMQA tool and to retrieve the detailed review summary findings for that particular review. The consortium must notify Second Party Review staff of the corrective action taken and provide supporting documentation. Form F-00628, entitled "Consortium Response to the State IM Second Party Review Finding," will be provided with each error letter and must accompany the consortium's response.

If the consortium disagrees with the review findings, it must respond via email to the Second Party Review Unit within 10 calendar days, explaining their position and including copies of any relevant documentation. Second Party Review staff may contact the consortium by phone to further discuss case circumstances. Consortia are welcome to offer any suggestions regarding policy clarifications, training, and/or system issues.

If the final determination is that an error occurred and corrective action is required, the consortium must initiate this action within 30 calendar days. Corrective action may include:

- Requesting verification or additional information from the member or a third party;
- Redetermination, restoration, and/or termination of FoodShare or health care eligibility;
- Initiating benefit recovery when applicable when it is determined that an overpayment has occurred; and/or
- Issuing auxiliary FS benefits when applicable when it is determined that an underpayment has occurred.

Responses to the Second Party Review Unit's findings, and any other Second Party Review-related correspondence, should be emailed to: DHSSPR@wisconsin.gov.

RESOURCES:

A PDF of Form F-00628 can be found in the Income Maintenance Forms page at:

<http://www.dhs.wisconsin.gov/forms/F0/f00628.pdf>

A Word version of Form F-00628 can be found at:

<http://www.dhs.wisconsin.gov/forms/F0/f00628.doc>

CONTACTS:

BEPS CARES Information & Problem Resolution Center

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, BC+ Core – BadgerCare Plus Core, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHS/DHCAA/BEPS/AR