

**DEPARTMENT OF HEALTH SERVICES
DIVISION OF MEDICAID SERVICES
ADMINISTRATOR'S MEMO SERIES**

NOTICE: 17-09

DATE: 12/11/2017

DISPOSAL DATE: Ongoing

RE: Fraud Prevention and
Investigation Program Allocations
and Guidelines for CY 2018

TO: County Departments of Human Services Directors
County Departments of Social Services Directors
Tribal Chairpersons/Human Services Facilitators
Tribal Economic Support Directors

FROM: Heather K. Smith
Division of Medicaid Services

Anthony Baize, Inspector General
Office of the Inspector General

PURPOSE

The purpose of this memo is to provide information regarding DHS Fraud Prevention and Investigation Program (FPIP) operation and funding for calendar year (CY) 2018.

BACKGROUND

The FPIP model focuses on fraud prevention, using investigative staff dedicated to provide all investigation activities under a single funding source, utilizing local agency and/or private contracted investigators.

This model has been implemented statewide since 2011. The FPIP has helped DHS and local income maintenance (IM) agencies to realize:

- Consistent entry of fraud prevention data
- Payment error reduction
- Increased revenue from benefit recovery retention
- Measurable cost savings

CY 2018 FRAUD PREVENTION AND INVESTIGATION PROGRAM

DHS has earmarked \$1,500,000 (all funds) plus a one-time \$250,000 State Fiscal Dollars (2017) allotment to support statewide fraud prevention activities in all agencies, excluding Milwaukee Enrollment Services (MilES), that administer Wisconsin FoodShare, Wisconsin Medicaid, and BadgerCare Plus programs in CY 2018. MilES will follow existing FPIP guidelines.

The Department will allocate an amount based on each agency's percentage of the statewide IM caseload; consistent with the data used for 2018 IM administrative allocations (IMAA). Local agency contributions are encouraged and are still eligible for federal matching funds.

Your 2018 FPIP Consortium must be comprised of the same agencies in your IM Consortium.

Under this model, one agency must assume the role of administrative agency for the FPIP Consortium. Each IM Consortium will have the option to choose the administrative agency for the FPIP. It does not have to be the same agency that leads the IM Consortium.

Each consortium will determine what staff will conduct FPIP investigations. Consortia can utilize agency staff, contract staff, local law enforcement or whatever combination is most effective for each consortium.

In accordance with current DHS policy regarding consultation with tribes, tribal agencies are the only agencies that will have the option to operate an FPIP independently. If a tribal agency chooses to operate independently, the agency will still receive an FPIP allocation.

The table on page three breaks down the responsibilities for the FPIP.

Roles and Responsibilities under DHS 2018 FPIP Model

DHS	Local Agencies	FPIP Staff
Contract with local agency.	Tracking referrals, claims, and investigations through BRITS.	Investigations.
Policy and process guidance for agencies as well as fraud related trainings/guidance.	FPIP referrals to investigator.	Utilize FPIP data in BRITS.
Assist with Intentional Program Violation Process.	Claims establishment for overpayments.	Agency education on FEV and Fraud referrals.
Guidance/technical assistance on trafficking enforcement.	Timely report of action taken on case(s) investigated.	Administrative Disqualification Hearing process for FPIP cases.
Maintain statewide fraud hotline and refer fraud tips to agencies for investigation consideration. OIG will keep and work cases as requested per agency. This will be dependent upon criteria set forth by the Inspector General and/or the Governor's Office.	Administrative or Criminal prosecution of intentional program violations.	Regular meetings/updates with DHS.

This model is based on the following assumptions:

1. DHS will allocate funding specified in Schedule A for each agency to the administrative agency identified for the FPIP Consortium
2. Local agencies may contribute additional funding to the FPIP and the total eligible local contribution will be eligible for the federal match for all allowable costs.
3. Schedule A allocations are based upon unduplicated IM caseload data from January 2017 through June 2017.
4. All agencies must comply with the requirements of the FPIP Guidelines.
 - a. The FPIP emphasizes fraud prevention over fraud detection.
 - b. The FPIP must be cost neutral such that total program costs do not exceed total program savings as measured by future savings, claims established and sanctions. FPIP areas should target a ratio of savings to costs at 5:1.
 - c. FPIP investigations will be categorized by referral type in BRITS.
 - d. DHS will monitor FPIP performance relative to cost-benefit ratio, timeliness of completions and number of investigations completed.
 - e. To ensure timely and accurate data, FPIP staff shall be responsible for entering all data related to fraud investigation activities in the Benefit Recovery Investigative Tracking System (BRITS).

YOUR CONSORTIUM

- In order to meet contract deadlines and have funding in place by January 1, 2018, agencies must submit all necessary documents to Wendy Metcalf at DHS no later than January 30th, 2018.
- Local agencies may contribute funding to the FPIP and the total local contribution will be eligible for the federal match for all allowable costs.

TRIBAL AGENCIES

- Tribal agencies are required to submit all necessary documents to Wendy Metcalf at DHS no later than January 30th, 2018 whether they intend to participate in a consortium or not. Independent agencies must still abide by FPIP guidelines.

CENTRAL OFFICE CONTACT

For questions or assistance regarding any of the information contained in this memo, please contact Wendy Metcalf at (608) 266-9710 or by e-mail at wendy.metcalf@dhs.wisconsin.gov.

All materials should be mailed to:

Wendy Metcalf, FPIP Manager
Office of the Inspector General Wisconsin
Department of Health Services 1 West
Wilson Street, Room 1151
PO Box 309
Madison, WI 53701-0309

CENTRAL OFFICE CONTACT FOR PARIS - TRAFFICKING - SLEB

For questions or assistance regarding Public Assistance Reporting Information System (PARIS) or FoodShare/Medicaid Card Trafficking, please contact Robert Klingforth at (608) 267-2849 or by e-mail to Robert.Klingforth@dhs.wisconsin.gov

PARIS is a federal-state partnership that detects and deters improper payments nationwide. This includes but is not limited to matching recipients with more than one public assistance case open in more than one state via federal database. The Central Office PARIS staff investigates all PARIS matches; determine overpayments and intentional program violations.

Trafficking Enforcement team conducts investigations of Trafficking and Misuse of Wisconsin FoodShare benefits; directly or indirectly buying or selling Electronic Benefit Transfer (EBT) cards for cash and/or ineligible food items.

State Law Enforcement Bureau (SLEB) Wisconsin OIG has entered into an agreement with the Federal Nutrition Service (FNS) to conduct SLEB investigations on approved FoodShare Vendors. These investigations will be coordinated by the OIG, but conducted by local law enforcement agencies that enter into a Memorandum of Understanding (MOU) with the OIG. For more information on SLEB please contact the SLEB Coordinator Don Shogren at (608) 267-0470 or you can e-mail DHSOIGSLEB@DHS.Wisconsin.gov

SCHEDULE A

**AGENCY UNDUPLICATED CASELOAD
COUNTS
(January 2017 – June 2017 data)**

**AGENCY PERCENTAGE OF STATEWIDE
CASELOAD (EXCLUDING MILWAUKEE)**

**RESULTING CY 2018 FPIP CONSORTIUM
FUNDING**

Agency	UNDUPLICATED CASELOAD**	PERCENT OF TOTAL	TOTAL FUNDING
ADAMS COUNTY	3133	0.652%	11,410
ASHLAND COUNTY	2,543	0.529%	9,263
BARRON COUNTY	6,512	1.355%	23,718
BAYFIELD COUNTY	1,703	0.354%	6,201
BROWN COUNTY	26,051	5.422%	94,882
BUFFALO COUNTY	1,274	0.265%	4,639
BURNETT COUNTY	2,170	0.452%	7,904
CALUMET COUNTY	2,811	0.585%	10,239
CHIPPEWA COUNTY	7,078	1.473%	25,781
CLARK COUNTY	3,622	0.754%	13,190
COLUMBIA COUNTY	5,431	1.130%	19,779
CRAWFORD COUNTY	2,035	0.424%	7,413
DANE COUNTY	43,444	9.042%	158,233
DODGE COUNTY	8,196	1.706%	29,850
DOOR COUNTY	2,674	0.556%	9,739
DOUGLAS COUNTY	5,763	1.199%	20,991
DUNN COUNTY	4,784	0.996%	17,423
EAU CLAIRE COUNTY	11,906	2.478%	43,364
FLORENCE COUNTY	610	0.127%	2,221
FOND DU LAC COUNTY	9,551	1.988%	34,787
FOREST COUNTY	1,271	0.265%	4,629
GRANT COUNTY	5,095	1.060%	18,556
GREEN COUNTY	3,396	0.707%	12,368
GREEN LAKE COUNTY	2,016	0.420%	7,343
IOWA COUNTY	2,241	0.466%	8,163
IRON COUNTY	994	0.207%	3,619
JACKSON COUNTY	2,406	0.501%	8,764
JEFFERSON COUNTY	7,956	1.656%	28,976
JUNEAU COUNTY	3,614	0.752%	13,163
KENOSHA COUNTY	21,163	4.405%	77,081
KEWAUNEE COUNTY	1,729	0.360%	6,299
LA CROSSE COUNTY	12,864	2.677%	46,852
LAFAYETTE COUNTY	1,592	0.331%	5,798
LANGLADE COUNTY	2,989	0.622%	10,887
LINCOLN COUNTY	3,474	0.723%	12,654
MANITOWOC COUNTY	7,956	1.656%	28,976
MARATHON COUNTY	14,082	2.931%	51,288
MARINETTE COUNTY	5,655	1.177%	20,596
MARQUETTE COUNTY	1,890	0.393%	6,883
MONROE COUNTY	4,959	1.032%	18,062
OCONTO COUNTY	3,725	0.775%	13,565
ONEIDA COUNTY	4,630	0.964%	16,864

OUTAGAMIE COUNTY	14,730	3.066%	53,651
OZAUKEE COUNTY	4,576	0.952%	16,668
PEPIN COUNTY	767	0.160%	2,792
PIERCE COUNTY	3,008	0.626%	10,955
POLK COUNTY	4,961	1.033%	18,069
PORTAGE COUNTY	6,576	1.369%	23,953
PRICE COUNTY	2,052	0.427%	7,474
RACINE COUNTY	25,879	5.386%	94,257
RICHLAND COUNTY	2,367	0.493%	8,619
ROCK COUNTY	21,584	4.492%	78,615
RUSK COUNTY	2,307	0.480%	8,401
SAUK COUNTY	7,257	1.510%	26,430
SAWYER COUNTY	2,355	0.490%	8,578
SHAWANO COUNTY	4,453	0.927%	16,219
SHEBOYGAN COUNTY	11,382	2.369%	41,457
ST. CROIX COUNTY	5,658	1.178%	20,607
TAYLOR COUNTY	2,261	0.471%	8,234
TREMPEALEAU COUNTY	3,140	0.653%	11,435
VERNON COUNTY	3,187	0.663%	11,608
VILAS COUNTY	2,285	0.475%	8,321
WALWORTH COUNTY	10,456	2.176%	38,084
WASHBURN COUNTY	2,356	0.490%	8,580
WASHINGTON COUNTY	8,609	1.792%	31,357
WAUKESHA COUNTY	21,747	4.526%	79,209
WAUPACA COUNTY	5,833	1.214%	21,245
WAUSHARA COUNTY	2,681	0.558%	9,766
WINNEBAGO COUNTY	16,366	3.406%	59,608
WOOD COUNTY	9,763	2.032%	35,559
BAD RIVER TRIBE	429	0.089%	1,561
LAC COURTE OREILLES TRIBE	500	0.104%	1,820
LAC DU FLAMBEAU TRIBE	941	0.196%	3,427
MENOMINEE TRIBE	1155	0.240%	4,205
ONEIDA TRIBAL COUNCIL	1208	0.251%	4,399
POTAWATOMI TRIBE	37	0.008%	133
RED CLIFF TRIBE	328	0.068%	1,195
SOKAOGON TRIBE	175	0.036%	636
STOCKBRIDGE-MUNSEE TRIBE	126	0.026%	460
Total Cases	480,475	100.000%	1,750,000

** Average Active Case count Jan 2017 - Jun 2017

\$1,750,000 reflects the addition of a one-time lump sum of \$250,000 from the State Fiscal Year which began in July 2017.

FRAUD PREVENTION and INVESTIGATION PROGRAM 2018 APPLICATION/AGREEMENT

Department of Health Services

INTRODUCTION

To support program integrity for Wisconsin FoodShare (FS), Wisconsin Medicaid, and BadgerCare Plus, DHS has established a Fraud Prevention and Investigation Program (FPIP). The FPIP is administered through contractual agreements between DHS and local agencies.

APPLICATION/AGREEMENT

To participate in the FPIP, consortium administrative agencies and independent agencies shall complete the FPIP Application/Agreement, including any required attachments. Upon approval by DHS, the participating agency agrees to comply with the operational and administrative requirements for the FPIP as established by DHS in the FPIP Guidelines.

The FPIP Application/Agreement shall consist of the budget proposal (Budget Worksheet) to fund the identified Full Time Employment percentage of FPIP staff for a calendar year and the designated agency staff responsible for the administration/supervision of the FPIP, and the following attachments:

1. A copy of all contracts that the agency has with FPIP-funded service providers
2. A chart of each agency's administrative structure, including all FPIP staff and/or contracted service providers at the consortia level.
3. Copies of agency-developed forms and policy/process documents related to operation of your FPIP.

APPROVAL PROCESS

Submit the completed and signed FPIP Application/Agreement to:

Wendy Metcalf, FPIP Manager
1 West Wilson Street, Room 1151
Wisconsin Department of Health Services
P.O Box 309
Madison, WI 53701-0309
FAX: (608) 267-3380
Email: wendy.metcalf@dhs.wisconsin.gov

Upon approval by DHS, a copy of the signed Application/Agreement will be sent to the administrative agency. DHS will amend agency State/County/Tribal contracts and revise the CARS fiscal reporting system as needed.

**Fraud Prevention and Investigation Program (FPIP) Fraud Application/Agreement
Year
2018 for Consortia Lead**

This Application/Agreement for _____ Consortium/Tribe
or Independent Agency is for the operation of Calendar Year 2018 Fraud Prevention and Investigation
Program (FPIP). The FPIP will be administered by the agency identified below:

Personal information you provide may be used for secondary purposes [Privacy Law, s. 15.04(1) (m), Wisconsin
Statutes]. Attach any corresponding forms you refer to when answering the questions on this form.

1. AGENCY INFORMATION

County/Tribe/Independent Agency Name: _____

Are you a tribal agency working independently? Yes No

Individual counties that operate independently are not eligible for DHS Funding. –Not applicable to tribal agencies.

1A. Fraud Contract Manager:

Name	Title
Email	Direct Telephone
Address	

This Agency's 2018 FPIP Supervisor:

Name	Title
Email	Direct Telephone
Address	

It is understood that the Consortia shall meet the operational and administrative requirements contained
within the DHS FPIP Guidelines and I certify that this Consortia shall comply with the terms and conditions
in this Agreement / Application.

Signature

Date

To be submitted by 2018 Consortia Lead

Agency tool to collect necessary data

FPIP Activities, Costs, Funding, and Reporting Estimate Structure Summary for Each Individual Agency:

- Only report FPIP Activity time on this table. Do not include time spent on non-FPIP activities. For example, if you have a full time person who spends half of their time performing FPIP activities report that person at 0.5 FTE.
- It is understood that the number of FTE's Activities doesn't have to be equal to the number of FTE's funded with FPIP Contract Dollars.
- Complete and submit to the FPIP Lead if that is your consortia process.
- To update the table, double click anywhere on the table

Consortium FPIP Contract	
Estimate FPIP Activities	# FPIP Activity FTE's funded with FPIP Contract Dollars
County X	0.2

Consortium FPIP Costs									
	Salary	Fringe Benefits	Travel	Training	Other Direct Costs	Indirect Costs/AMSO	Contracted Costs	Other	Total
County X	\$6,000	\$200	0	\$2,300	0	\$1,000	\$1,500	0	\$11,000
									0

2018 FPIP costs will be covered by the following funding sources (costs total should be equal to funding total):

Consortium FPIP Funding Sources					
	DHS Allocation	Optional Agency Contribution	Federal Match to Optional Agency Contribution	Other	Total
County X	\$8,000	\$2,000	\$2,000	\$0	\$11,000
					0

To be submitted by 2018 Consortia Lead Agency

CONTRACTED INVESTIGATION SERVICES REQUIREMENTS

References:

WI Stat. 440.26

Administrative Code Chapter SPS 30, 31, 32, 33, 34 and 35

Commercial agencies which contract with counties or tribes to provide fraud prevention investigative services are subject to the Wisconsin Statute and Administrative Code requirements for private detectives. These requirements do not apply to off-duty law enforcement officers or public officers performing official duties, including law enforcement officers; however private individuals, including former law enforcement officers, must meet these requirements. See the current Department of Enterprise Administrator's Memo.

Counties or tribes deciding to contract with private agencies or individuals for investigative services need to obtain a copy of WI Statute 440.26 and Administrative Code Chapter SPS 30, and require that the individual meet the private detective requirements for licensure, training and liability.

FPIP Third Party Contracts, Partnerships and Roles:

List below all additional parties that you utilize for performance of FPIP related activities

Third Party Contractor	Services (Check boxes that applies)					Sum of these are equal to or part of Contracted Costs	
	Desk Investigations	Fieldwork	SWICAs	Overpayments	ADH/IPV	# of FPIP Contract dollars used to pay for these services	# of other dollars used to pay for these services.
ZYX Investigative Services (example)	X	X		X	X	\$250	0

Other Non-Paid Partnerships

COUNTY/TRIBE/ INDEPENDENT AGENCY	Y/N
EXAMPLE: XYZ	Y
USES LOCAL LAW ENFORCEMENT	
FRAUD HOTLINE & WEB PORTAL TIPS FROM THE OIG	
USES DIVERSION AGREEMENTS WITH LOCAL DA	
REFERS CASES FOR PROSECUTION WITH LOCAL DA	
HAS A MUNICIPAL PUBLIC ASSISTANCE FRAUD ORDINANCE	
HAS ISSUED CITATIONS BASED ON MUNICIPAL ORDINANCE	

Informational Only

2. PROGRAM INTEGRITY RELATED TRAINING OPPORTUNITIES

The Department of Health Services, Office of the Inspector General provides a variety of IM Fraud related trainings; please reach out to Wendy Metcalf at wendy.metcalf@dhs.wisconsin.gov for more information.

- A to Z's of Desk Investigations
 - Conducting Trafficking/Misuse Investigations
 - EBT Edge
 - Fighting Fire with Fire - Overview of OIG/Fire
 - Section FITS - Fraud Investigation Tracking System
 - FoodShare Intentional Program Violation (IPV) and Administrative Disqualification Hearing (ADH) process.
 - FoodShare Overpayment
 - FoodShare Calculator Tool
 - Hero - Helping Everyone Reduce Overpayments
 - Internet Search Tools for Investigations
 - State Law Enforcement Bureau Investigations (SLEB).
-

3. INTERNAL PROGRAM INTEGRITY EFFORTS

Best practice for handling internal fraud would be to refer the case to The Office of the Inspector General to avoid a conflict or appearance of a conflict of interest. The investigation can be referred to Wendy Metcalf (608) 266-9710 or wendy.metcalf@dhs.wisconsin.gov.

4. BRITS: Fraud Referral, Investigation and Post Investigation

Tools used to routinely calculate overpayments:

- Agency' internal Excel spreadsheet
 - BV Sub-system
 - Cares Simulation
 - Contractor
 - FS Overpayment Calculator (F16030A)
 - FS worksheet (F16030)
 - Manual Calculation
-

5. Required Attachments

Attach any non-DHS approved forms your agency (or third party contractor) uses for FPIP Program Integrity efforts. Please only include copies of the following if they are specific to your agency or your third party contractor (e.g. a non-DHS form):

- Front End Monitoring Forms Citation
- Ordinance
- Copies of FPIP related MOUs
- Overpayment notifications
- Prosecution Diversion Agreement Prosecution Referral Forms
- Copies of Complete Contracts for FPIP Third Party Contracted Agencies
- Restitution or Overpayment Agreement
- ADH/IPV Referral Forms
- Request for Income Verification
- Fraud Investigation Referral Forms
- Warning Letters
- MAPP Employment Verification
- Overpayment Spreadsheets

Please use this check list to ensure the following Attachments are included with this Application/Agreement.

- A copy of all contracts that the agency has with FPIP funded service providers.

- Copies of agency-developed forms and policy/process documents related to operation of your FPIP.

It is understood that my agency shall meet the operational and administrative requirements contained within the DHS FPIP Guidelines and I certify that my agency shall comply with the terms and conditions in this Agreement / Application.

Print Name of Agency Director/Designee

Signature of Agency Director/Designee

Title

Date

(ONCE COMPLETE, RETURN TO YOUR FPIP LEAD)

For any questions regarding this application, contact the FPIP Manager, Wendy Metcalf, at (608) 266-9710 or wendy.metcalf@dhs.wisconsin.gov