Enclosure B

COUNTY RESPONSE COVER PAGE – MUST BE FULLY COMPLETED AND SUBMITTED WITH PLAN AND DATA

Sutter County is requesting participation in the Enhanced Anti-Fraud Program and will submit a Plan and Data as described above, by November 1, 2009.

Board of Supervisor Approval
Approved on November 10 **, 2009, by the County Board of Supervisors**
Name of Approver: Jim Whiteaker, Chairman

Signature

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Sutter County Human Services Department
Welfare & Social Services Division
REVISED IHSS Fraud Investigation Plan
Pursuant to the California State Budget Act of 2009
12/31/09

Sutter County proposes to build a robust In-Home Supportive Services (IHSS) Anti-Fraud Collaborative to increase identification of fraud and to address overpayments/underpayments by elaborating on existing processes, further developing existing collaborations with the District Attorney's Office (DAO), strengthening communication with Department of Health Care Services (DHCS), developing comprehensive procedures, and assigning additional clerical staff, QA staff and Social Worker time to better track referrals, outcomes and overpayment data.

IHSS Overpayments/Underpayments

Sutter County currently has a process in place for identifying and collecting overpayments/underpayments as they become known through QA/QI activities, routine calls and home visits conducted by IHSS Social Workers or through Public Authority contact with recipients or providers. Overpayments are calculated by the QA Social Worker, letters mailed to the provider and recipient, and the overpayment is then referred to the Fiscal unit. Overpayments received by the Fiscal unit are then processed. Currently, little staff time is available to pursue overpayments that go uncollected.

We propose to reduce the occurrence of over/underpayments and improve their tracking and collection by increasing Social Worker time to work with investigators and calculate overpayments and to make referrals to our Fiscal unit for systematic collection action. Our experience has shown that additional Social Worker and Clerical support is needed to accurately and consistently record and track overpayment activities and to process SPEC transactions to address underpayments. Our plan is to assign additional Social Worker time and Clerical support to the calculation and collection of over/underpayments.

Fraud Referrals/Outcomes

Currently, fraud referrals are made on a regular basis to a DHCS investigator. The outcome of these referrals has not always been well known as referrals are made and the outcome has not always been well documented. Recent efforts to strengthen communication with DHCS have contributed to improved tracking of fraud referrals and knowledge of the outcome. These results have been captured in the SOC 824 reports submitted quarterly, as well as in the attached Enclosure D.

Our plan is to develop mechanisms and assign staff to carefully track and report not only numbers of referrals made, but detailed outcome information including numbers of convictions, restitutions, amount of funds involved/recovered, and

individual(s) involved in committing fraud. This data, not previously tracked, will be collected and readily available for reporting purposes and to assist in anti-fraud program planning.

The methodology for determining the appropriate agency for referring is to send notice of all suspected fraud referrals to DHCS via the MC609 referral form but to decide collaboratively, during a monthly staffing with DAO and DHCS, which agency will lead the investigation and which cases will be worked together (joint investigations). This model is currently in place and has demonstrated early results.

Collaboration and Partnerships with District Attorney's Office

Sutter County will improve IHSS program integrity through commitment to QA activities and collaboration with the DAO. Sutter County Human Services Department enjoys a collaborative relationship with the DAO and currently meets with at regular intervals to address fraud in the IHSS program.

We propose to further develop a local Anti-Fraud Multi-Disciplinary Team (MDT) including IHSS program staff, the Public Authority, District Attorney's Office Investigators, and a Department of Health Care Services Investigator to collaborate on cases where fraud is suspected or identified. This targeted team will meet on a monthly basis during which time information can be shared, resources defined and action steps determined. We presently have the commitment of the DAO and DHCS to participate in such an effort and early piloted efforts have proven successful at identifying fraud.

Collaboration and Partnerships with DHCS and the California Department of Social Services (CDSS)

Sutter County Human Services Department works collaboratively with DHCS and CDSS on fraud referrals. During the 2009 IHSS QA Review, we shared our plans for building anti-fraud activities in Sutter County with CDSS and have included some of these anti-fraud activities in our Annual Quality Assurance/Quality Improvement Plan, approved July 21, 2009.

We propose to continue our collaboration with DHCS and CDSS by focusing additional time and activity on anti-fraud reviews such as those described in the QA/QI Plan, through partnering with the DHCS investigator to conduct targeted home visits, and through continued communication with these partners (i.e., phone calls, email, letters, site visits and meetings) as necessary to further refine and develop anti-fraud efforts. Beginning in FY 09/10, DHCS and DAO investigators have begun doing joint investigations which have yielded positive results. All fraud referrals will continue to be tracked through the IHSS program but in greater detail than in past years with the addition of clerical support.

Mechanism for Tracking/Reporting

Sutter County Human Services has been tracking Fraud detection and prevention activities as well as overpayments manually given our relatively small numbers. Reporting has been done primarily using the SOC 824. As demonstrated in the attached Enclosure D, a very small number of fraud cases have been identified through QA activities, despite belief that more fraud actually occurs than can be identified given current resources.

Recent collaboration (within the past year) between Sutter County's IHSS program, the DAO and DHCS has already led to significant increases in the early identification of fraudulent activity. As we continue to build on our anti-fraud activities as described in this plan, we expect to see reductions in number of overpayments, greater recovery of overpayments, and better tracking and reporting of fraud detection and prevention efforts as a result of the State's Budget Act of 2009.

The mechanism for tracking and reporting for FY 09/10 will be greatly enhanced through use of a computer database, on a secure server which can be accessed with a password and proper access authority from different locations by our partners. Additional Social Worker time and Clerical support will allow us to develop more sophisticated tracking and reporting mechanisms for greater detail and accuracy. We will assign staff to maintain these mechanisms and seek out information to ensure accurate, high quality and timely reporting of all anti-fraud activity to CDSS each year by August 1.

Additionally, our Anti-Fraud MDT will collaborate on fraud prevention and intervention planning as has occurred with the development of this plan document. DHCS, DAO and IHSS program staff all share updates, and agree to continue tracking, reporting and submitting data. Anti-Fraud Plans will be updated and submitted each year by June 1.

County's Current and Proposed Anti-Fraud Activities

Current anti-fraud activities include IHSS targeted reviews, desk reviews, and home visits by QA staff when fraud is suspected. A referral is then generated and made to DHCS investigator. QA staff and DHCS investigator, as well as the Public Authority remain in communication to determine when an overpayment/underpayment has occurred. If applicable, the QA staff then initiates the overpayment/underpayment process to recover any overpayment. Currently, only limited clerical support is available and overpayments go largely untracked after this point. To date, we have had limited success in collecting overpayments given scarcity of resources to devote to these activities.

The following are the program integrity efforts which will commence within 60 days of receipt of funding:

Proposed anti-fraud activities for FY 2009/2010:

I. *Further Develop an Anti-Fraud MDT*

In the 2008-2009 state fiscal year, Sutter County IHSS program staff and partners began a MDT. The intent of the IHSS MDT was to ensure program integrity in the following ways:

1. Creation of a multi-disciplinary team of experts to assist in managing care to IHSS recipients. The team initially included IHSS, Public Health and Mental Health.
2. Examine and change forms, with input from the MDT, to help Social Workers gather the best data possible to make informed decisions when granting/denying hours to ensure program integrity.
3. Provide hands-on practical assistance through case consultations, public health staff accompanying Social Workers on home visits, and team decision making on program elements such as Protective Supervision, mentally ill and medically fragile complex cases.

In FY 08/09 we added the following, which remains the plan for FY 09/10:

4. Include community partners, specifically District Attorney's Office and Department of Health Care Services Investigators to assist in the investigation of Fraud and develop mechanisms for tracking investigations, prosecutions, overpayments and other fraud related activities. We already have a commitment from the District Attorney's Office to participate in this effort.

Sutter County's Fraud Detection and Intervention Plan includes a collaboration between Department of Human Services, District Attorney's Office and Department of Health Care Services Investigators to specifically target the detection and prevention of fraudulent activity in the IHSS program. Existing collaborative relationships will help facilitate the speedy implementation of this plan. Experience working with our DAO and DHCS partners has already produced significant improvement in our ability to respond to suspected fraud and to collect overpayments, as well as to ensure those truly needing services are receiving that to which they are entitled.

II. *Improve Tracking and Reporting of IHSS Fraud Activities through IHSS/DAO/DHCS collaboration*

In addition to allowing Sutter County to expand investigations enhanced funding will also enable the County to provide more accurate tracking activities related to IHSS fraud and prosecution. Specifically the tracking will include:

- The number of fraud referrals to DHCS (date and nature of referral, outcome);
- The number of referrals to DAO investigators (both referrals for investigation and prosecutions);
- The outcomes of these referrals (restitutions, convictions, fines);
- The overpayment collection activities *and*;
- The amount of overpayment recovery (dollar amount).

This tracking mechanism will be computerized and maintained daily as new referrals are received and outcomes are reported. The tracking mechanism will allow us to accurately report anti-fraud activities in greater detail than is currently reported on the quarterly SOC 824. Sutter County will participate in state-conducted error rate studies as required by SB 1104.

Integration of Sutter County Plan with Other IHSS Program Integrity efforts Contained in the State Budget Act of 2009

The new IHSS provider enrollment requirement for fingerprints and a criminal background check conducted by the California Department of Justice resulting from the passage of recent legislation has been implemented in Sutter County. All background checks are currently being completed by the Sutter County Public Authority. New applicants applying to be providers (either Registry or Individual) must attend a mandatory Provider Orientation. At this Orientation, in addition to viewing the CDSS Provider Orientation video regarding job expectations and fraudulent activities, authorized services covered by IHSS, mandated reporter responsibilities, provide the Medi-Cal Fraud and Abuse Hotline Toll Free number. Additionally, applicants are informed that they must complete a fingerprint and criminal background check in order for the County to make a determination on an individual's eligibility to be enrolled and receive payment for providing supportive services in the IHSS program. With the additional funding received the County will invite the Investigators (Welfare Fraud, DA Criminal Investigator and/or DHCS Investigator) to participate in Orientations to further explain what constitutes fraud and further impress upon the applicants that fraud, in any manner will not be tolerated in the IHSS program.

County Proposed Budget for Utilization of Funds

We are requesting an allocation $185,286 for the first year, in order to support the activities of the "Anti-Fraud" MDT to investigate and prosecute IHSS fraud and compile, track and report program activities.

Proposed IHSS Anti-Fraud MDT :

1.0 FTE	IHSS QA Social Worker III	$82,917
.25 FTE	DHCS Investigator	*Funded by DHS*
.25 FTE	Welfare Investigator	$28,391
.25 FTE	DA Investigators	$59,000
.012 FTE	Deputy District Attorney	$ 1,000
.25 FTE	Clerical /Collections Asst.	$13,978

Integration of Other Program Integrity Efforts within the Plan

The current IHSS MDT structure was created to ensure IHSS program integrity. The ultimate goal of the MDT is to make sure those legitimately eligible to IHSS program services receive quality service and to reduce abuse of the IHSS program. The inclusion of anti-fraud activity through collaboration with the DAO and DHCS is a natural fit with the original goals of the MDT. As such, anti-fraud activities have already begun to be integrated into the MDT process and will be further developed through additional funding.

Annual Outcomes Report

With funding targeted at anti-fraud activity, Sutter County commits to tracking and keeping statistics to produce an Annual Outcomes Report. This report will be supported through data collected through the Anti-Fraud MDT computerized tracking mechanism described previously and submitted in a timely manner as requested.

Budget Justification
Sutter County's Fraud Funding Plan for FY 2009-10

Budget Section	Total
A. Personnel Costs (includes employee benefits)	$ 139995
B. Operating Expenses	$ 9,012
C. Equipment Expenses	$ 0
D. Travel/Per Diem and Training	$ 2,500
E. Subcontracts and Consultants	$ 0
F. Other Costs	$ 0
G. Indirect Expenses	$ 9,264
Total Expenses	$ 160,771

A. Personnel Costs (including employee benefits)	Total Budget
Title: Social Worker III (IHSS Quality Assurance) **Salary Calculation:** $39.864 per hour (salary & benefits) x 1,660 annual hours for .80 FTE = $66,174 **Duties Description:** Duties will focus on reducing the occurrence of over/underpayments and improve tracking and collection of overpayments; partnering with Investigators to detect fraud at the earliest occurance; calculating overpayments; making referrals to Fiscal unit for collection actions; accurately and consistently recording and tracking overpayment activities; and processing related SPEC transactions. Duties will include active participation in the collaboration between Department of Human Services, District Attorney's Office and Department of Health Care Services Investigators to specifically target the detection and prevention of fraudulent activity in the IHSS program.	$ 66,174
Title: Welfare Fraud Investigator II **Salary Calculation:** $40.949 per hour (salary & benefits) x 520 annual hours for .25 FTE = $21,293 **Duties Description:** Duties will include working with the IHSS Social Wokrer and the Departmetn of Health Services (DHS) Investigator to detect and investigate fraud on an ongoing basis. This Welfare Fraud Investigator will be located at the County office and will be available to consult with County staff as well as Public Authority staff regardng suspected or potential fraud. In addition the Welfare Fraud Investigator will be available to interact with IHSS providers and/or recipients (in the office or on the telpehone) with the goal of detering fraud or detecting fraud at the earliest opportunity in order to eliminate or reduce the amount of fradulantly obtained funds. Duties will include active participation in the collaboration between Department of Human Services, District Attorney's Office and Department of Health Care Services Investigators to specifically target the detection and prevention of fraudulent activity in the IHSS program.	$ 21,293
Title: District Attorney Criminal Investigator **Salary Calculation:** $51.696 per hour (salary & benefits) x 520 annual hours for .25 FTE = $26,882 **Duties Description:** Duties will include teaming with the IHSS Social Worker and the DHS Investigator to detect and investigate IHSS fraud on an ongoing basis. In addition to regular field work this position will be available to consult with County and Public Authority staff regardng suspected or IHSS potential fraud.Duties will include active participation in the collaboration between Department of Human Services, District Attorney's Office and Department of Health Care Services Investigators to specifically target the detection and prevention of fraudulent activity in the IHSS program.	$ 26,882

Title: Deputy District Attorney II **Salary Calculation:** $68.681 per hour (salary & benefits) x 260 annual hours for .125 FTE = $17,857 **Duties Description:** Duties will include active participation in the collaboration between Department of Human Services, District Attorney's Office and Department of Health Care Services Investigators to specifically target the detection and prevention of fraudulent activity in the IHSS program. In additon increased investigation and tracking will lead to increaed prosecution.	$ 17,857
Title: Account Clerk II (Collections Assistance) **Salary Calculation:** $29.957 per hour (salary & benefits) x 260 annual hours for .125 FTE = $7,789 **Duties Description:** Duties will include increased collection and tracking activities related to IHSS fraud & prosecution including the following: Setting up overpayment files; obtraining agreements to pay and collection activities; Tracking the amount of overpayment recovery and the amounts outstanding; sending monthly demand letters; tracking the number of fraud referrals to DHCS (date and nature of referral, outcome), referrals to DAO investigators (both referrals for investigation and prosecutions); and outcomes of these referrals (restitutions, convictions, fines);	$ 7,789
Title: **Salary Calculation:** **Duties Description:**	$
Total Personnel Costs:	**$ 139,995**

B. Operating Expenses	**Total Budget**
Title: Program Integrity and Fraud Investigtion and Determination costs **Description: This expense will include costs associated with collaboartive meetings, supplies, rental of space and equipment as necessary,**	$ 9,012
Title: **Description:**	$
Title: **Description:**	$
Total Operating Expenses:	**$ 9,012**

C. Equipment Expenses	**Total Budget**
Title: **Description:**	$
Title:	$

Description:	
Title: Description:	$
Total Equipment Expenses:	$ 0

D. Travel/Per Diem and Training	Total Budget
Title: Anti-Fraud Multi-Diciplinary Team (MDT) Training Description: This line item will fund the cost of MDT team members traveling to/or attend relavent IHSS eligiblity and fraud detection training, seminars and conferences. This includes milage costs, , resource material, and expenses related to travel and training associated with IHSS Fraud detection and prosecution.	$ 2,500
Title: Description:	$
Title: Description:	$
Total Travel/Per Diem and Training:	$ 2,500

E. Subcontracts and Consultants	Total Budget
Title: Description:	$
Title: Description:	$
Title: Description:	$
Total Subcontracts and Consultants:	$ 0

F. Other Costs	Total Budget
Title: Description:	$
Title:	$

Description:	
Title: Description:	$
Title: Description:	$
Title: Description:	$
Total Other Costs:	$ 0

G. Indirect Expenses	Total Budget
Title: Overhead support costs. Description: This line item will provide funding for County overhead costs related to IHSS Fraud Detection, Investigation and Prosecution activies.	$ 9,264
Title: Description:	$
Total Other Costs:	$ 9,264