



CDSS

JOHN A. WAGNER
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



ARNOLD SCHWARZENEGGER
GOVERNOR

November 22, 2010

ALL COUNTY INFORMATION NOTICE NO. I-96-10

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY SPECIAL INVESTIGATIONS UNIT CHIEFS

SUBJECT: FRAUD AWARENESS & PROMISING APPROACHES

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

In light of the Governor’s Executive Order S-09-10 and the heightened awareness around welfare fraud, the California Department of Social Services (CDSS) would like to remind counties of the best practices identified in the “Promising Approaches and State Recommendations” publication and subsequent actions undertaken by the CDSS. As you may recall, the County Welfare Directors Association (CWDA) of California and the California District Attorneys’ Association (CDAA) joined with CDSS to establish the Program Integrity Steering Committee (PISC)/Peer Review Team (PRT) and tasked them with identifying cost-effective approaches for improving program integrity outcomes in the CalWORKs and Food Stamp programs.

The publication of the “Promising Approaches and State Recommendations” with all the best practices is on the CDSS website (<http://www.cdss.ca.gov/fraud/Default.htm>). Some of the best practices contained in the publication include open communication between the Special Investigations Unit (SIU) and the District Attorney’s Office (DA) and the county eligibility staff, ongoing training to strengthen the quality of fraud referrals to the SIU, enhanced support from the county welfare director, and increased attention on early fraud prevention efforts.

The CDSS supports the efforts of those counties that have Early Fraud Prevention and Detection programs and encourages those counties that do not yet have an early fraud program or processes to strongly consider the benefits of such programs. Early Fraud programs provide the best opportunity to maximize limited county resources and avoid the higher costs associated with long-term investigations, prosecutions and collections activities. By processing early fraud referrals and conducting necessary investigations during the application process, a county can determine whether an applicant is ineligible prior to benefits being granted, which can result in cost avoidance savings.

The PRT also made a number of recommendations to CDSS for action that would assist the counties in their program integrity efforts, some of which are either completed or are nearing completion. For example, All County Information Notice (ACIN) I-81-09, dated November 19, 2009, provided counties with CDSS' methodology for calculating program integrity cost avoidance savings that counties could adapt and utilize for their own purposes. In addition, the CDSS Fraud Bureau, in collaboration with county representatives, is revising the Fraud Investigation Activity Report (DPA 266), establishing definitions for Early Fraud and Ongoing Fraud to improve program reporting outcomes, and gathering training materials created by counties that will be posted to the CDSS Fraud Bureau website and accessible by all counties. CDSS anticipates completion of these activities by spring 2011.

As a result of Executive Order S-09-10, the CDSS developed an anti-fraud plan that supports the efforts from the PISC in the recommendations addressed in the "Promising Approaches and State Recommendations." A number of these proposals are under consideration by the Administration. The Executive Order and Fraud Prevention proposals can be viewed on the CDSS website (http://www.cdss.ca.gov/cdssweb/entres/pdf/Executive_Order.pdf and http://www.cdss.ca.gov/cdssweb/entres/pdf/Fraud_Prevention_Plan.pdf).

The CDSS is committed to providing our county partners with the most current information for continued success in promoting program integrity. In addition, the success of the PRT project was dependent upon the collaboration of everyone involved and CDSS commends the dedication and contributions of all participants.

Questions regarding this ACIN should be directed to June Russell, Welfare Fraud Prevention Coordinator, in the Fraud Bureau at (916) 651-3994.

Sincerely,

Original Document Signed By:

YVONNE L. LEE, CHIEF
Program Integrity Branch