

## Child Care Fraud Plan Instruction Guide

### Background:

Local agencies are required by Child Care Contract Scope of Services Exhibit 1, Part 5a to submit an annual fraud plan to BPI that identifies agency operations and procedures, ensuring that agency program integrity responsibilities are met. The Fraud Plan assists BPI to assess statewide program integrity activities for the past year, and allows agencies to plan for 2018.

### Due Date:

Please complete the form in SharePoint and submit it to the Bureau of Program Integrity by **March 31, 2018**.

### Instructions:

Need additional assistance? Please contact the agency's Bureau of Regional Operations (BRO) Child Care Coordinator at [BROCCPolicyHelpDesk@wisconsin.gov](mailto:BROCCPolicyHelpDesk@wisconsin.gov).

### Section 1: Agency Information and Primary Fraud Contact

*Note: If overpayments only, investigations only, or no fraud work is selected, please attach the contract or agreement with the subcontracted agency or consortium. If this document is not currently available, please include the previous year's contract and responsibilities, and the date the new contract will be available.*

### Section 2: Agency Operations, Program Integrity Trainings, Utilization of Fraud WebI Reports

### Section 3: Client Program Integrity Detection and Monitoring, Front End Verification, Quality Assurance Review, Client Referrals

*Note: Quality assurance is a review process to ensure accuracy and reduce agency errors.*

### Section 4: Client Investigations and Appeal Process

*Note: Totals can be obtained through BRITS. Include all referrals created and/or completed by the agency or subcontractor. Do not include cases referred to BPI or the Office of Inspector General for investigation.*

### Section 5: Collusion

*Note: Collusion occurs when multiple parties, such as providers and parents, cooperate in order to defraud the Wisconsin Shares program so that each party receives financial benefit.*

### Section 6: Provider Program Integrity Detection and Monitoring, Front End Verification, Referrals

*Note: To determine a 40% Rule Violation please do the following: 1) Log into CSAW. 2) Go to CSAW- "Reports" on top navigation and select "Parent Employment Details by Provider". 3) Enter provider number and month/year 4) Review the generated report. The numbers that are important are the % of Children Included and the Cases Employed.*

### Section 7: Provider Investigation and Appeal Process

### Section 8: Signature

## Child Care Agency Fraud Plan and Review

Local agencies are contractually responsible for preventing and correcting improper child care payments, establish and collecting overpayments and determining which cases will be referred for further investigation, to the fraud investigator and/or the District Attorney's Office for criminal prosecution.

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### SECTION I – AGENCY INFORMATION / OPERATIONS

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Agency Name

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Primary Fraud Contact – Name

Position

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Email

Direct Telephone

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Does this agency complete its own eligibility and authorization work?

Yes    No

If no, which subcontractor complete(s) this work:

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Does this agency complete its own fraud work?

- Yes, investigations and establishing sanctions (overpayments and/or IPVs)  
 Yes, investigations only  
 Yes, overpayments only  
 No

*Note: If selecting overpayments only, investigations only or no, please attach the contract or agreement with the subcontracted agency or consortium.*

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2017 Fraud Allocation

2018 Fraud Allocation

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In 2017, how much of the allocation was spent?

- All  
 None  
 Overspent  
 Underspent

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In 2017, what were the fraud allocation funds spent on? For example: hiring staff, subcontractors, additional trainings, etc.

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How many workers are responsible for conducting fraud related activities such as audits, investigations, and overpayments?

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On average, how many hours per week does this agency spend on child care program integrity work, such as front end verification, investigations, and overpayments?

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Select all program integrity trainings this agency attended in 2017:

- Wisconsin Association of Public Assistance Fraud (WAPAF)  
 DCF Program Integrity Training  
 New Worker Training  
 Child Care Refresher Training  
 Agency Requested Additional Training Conducted by BPI  
 Other (please describe):

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Are staff trained on:

- Interview Techniques  
 Error Prone Profile (EPP)  
 New Worker Training  
 Benefit Recovery Information Tracking System (BRITS) referral creation  
 Internal Quality Assurance

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Briefly describe the program integrity trainings this agency found to be most helpful, and why:

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*Planning Ahead: Trainings*

Would the agency like to request program integrity related staff training?

Yes  No

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What program integrity related trainings/topics would this agency like addressed:

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Select all Webl reports this agency utilizes:

- None
- Inactive EBT Cards for more than 30 days with Balance Amount
- Lost or Stolen Cards
- Funds About to Expire
- Expungement Report
- Unusual Parent Schedule
- Multiple Providers Including Child Need Schedule
- Current Schedules for Approved Activity
- Current Authorization Hours Greater than 50
- Child Mobility
- Provider Overcapacity
- Reimbursement Per Slot
- Unusual Payment Time Report
- Payment Grouping Report
- Other (please describe):

*Planning Ahead: Webl*

Would this agency like additional training on how to use Webl Red Flag Reports?

Yes  No

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What additional reports would this agency like created? What type of information would the report contain, and how would the report be utilized?

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**SECTION II – CLIENT PROGRAM INTEGRITY**

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*Error-Prone Profile (EPP)*

Does the agency use a Client EPP review process on all cases?

Yes  No

If no, proceed to *Front End Verifications: Authorizations*.

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Date of Last EPP Review:

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Please review the EPP list below, and indicate if each characteristic is effective, ineffective, or not utilized in the agency's client EPP review process.

Household expenses exceed total household income or unsatisfactory explanation of meeting living expenses

- Effective
- Ineffective
- Not Utilized

Reported income does not coincide with IRS, Wage Match, SWICA, DXQW, SUITES, or State Tax Forms

- Effective
- Ineffective
- Not Utilized

Multiple Employer Verification Form- Earnings (EVFE) submitted rather than pay stubs, W2 Wage and Tax Statements, or tax documents

- Effective
- Ineffective
- Not Utilized

Quarterly income \$250 greater or \$100 less than reported income

- Effective
- Ineffective
- Not Utilized

State wages not reported after 6 months of working

- Effective
- Ineffective
- Not Utilized

No new hire report

- Effective
- Ineffective
- Not Utilized

Client reports zero income and claims that someone else pays bills

- Effective
- Ineffective
- Not Utilized

Unreasonable explanation of income or lack of income

- Effective
- Ineffective
- Not Utilized

Suspicion of unreported income

- Effective
- Ineffective
- Not Utilized

Paycheck stubs and/or EVFEs appear fraudulent or modified

- Effective
- Ineffective
- Not Utilized

Questionable presence of an absent parent/spouse in the household

- Effective
- Ineffective
- Not Utilized

Household reports large increase or decrease in household size or a frequently fluctuating household size

- Effective

- Ineffective
- Not Utilized

Employable household members listed on the application, and then later reported as having moved

- Effective
- Ineffective
- Not Utilized

Other person pays the rent for several months but are not listed as residing in the home

- Effective
- Ineffective
- Not Utilized

Unusual or questionable household composition

- Effective
- Ineffective
- Not Utilized

Questionable shared placement or custody arrangement of children

- Effective
- Ineffective
- Not Utilized

Landlord is the absent parent, friend, family, or ex-spouse

- Effective
- Ineffective
- Not Utilized

Client shares address with provider

- Effective
- Ineffective
- Not Utilized

Recent arrival (within the prior three months) in the agency's area (exclude migrant farm workers and the homeless)

- Effective
- Ineffective
- Not Utilized

Highly mobile families who rarely stay in one location for more than two or three months (exclude migrant farm workers and the homeless)

- Effective
- Ineffective
- Not Utilized

Client works for or is related to the requested child care provider

- Effective
- Ineffective
- Not Utilized

Contradictory information provided during a previous contact, in the application form, during a review or change

- Effective
- Ineffective
- Not Utilized

Conflicting documentation or verification differing from that reported by the applicant

- Effective
- Ineffective
- Not Utilized

Multiple hardship requests in a year

- Effective
- Ineffective
- Not Utilized

Collateral contact statements are inconsistent with client's statements

- Effective
- Ineffective
- Not Utilized

Previous case closure provides incomplete, unclear, or contradictory information

- Effective
- Ineffective
- Not Utilized

Referred for previous Front End Verification which resulted in either denial or a reduction of subsidy funds

- Effective
- Ineffective
- Not Utilized

Past overpayment or Intentional Program Violation (IPV)

- Effective
- Ineffective
- Not Utilized

Past referral/conviction of fraud

- Effective
- Ineffective
- Not Utilized

Other (Please describe):

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*Front-End Verification: Authorizations*

Check the boxes that apply to information used by the agency to verify questionable information/documentation provided during eligibility and/or authorizations.

- Work and/or school schedule
- Verification that the client is not the provider

- Residency
  - Household income
  - Household composition
  - Work and/or school schedule
  - Earned or unearned income
  - Custody of child placement
  - Provider information
  - Initiate collateral contacts
  - Review red flag reports and referrals
  - Review waiver of eligibility restrictions for parents who are also childcare providers (DCF-F-432-E)
  - Shared placement agreement
  - Discuss conflicting information
  - Other (please describe):
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*Quality Assurance Review*

Select all internal quality assurance checks this agency conducts:

- None
  - Eligibility Determinations
  - Authorization Determinations
  - Overpayment Calculations
  - Investigation Outcomes
  - Other (please describe):
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What actions are taken to correct inaccuracies?

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Number of Agency Errors

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Describe the challenges the agency has faced in the past year concerning quality assurance for child care cases:

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*Planning Ahead – Quality Assurance*

What processes will the agency put in place or change to reduce agency errors?

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*Client Referrals*

Select all client referral sources this agency utilizes:

- SWICA
  - Prisoner Data Match
  - Emails
  - Phone Calls
  - Licensor/Certifier
  - Provider Investigation
  - Front-End Verification Process
  - State Wage Reports
  - Error-Prone Profile (EPP)
  - Case Review
  - Information Discrepancy
  - BRITS
  - Federal Improper Payment (FIP) Reviews
  - Targeted Case Reviews (TCR)
  - Other (please describe):
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Who reviews and either closes or assigns referrals for the agency?

- Agency staff
- DCF BPI
- Subcontractor
- Other (please describe):

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Does this agency use the Benefit Recovery Tracking System (BRITS)?

- Yes  No

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*Client Investigation*

Who performs client investigations for this agency?

- Agency Staff
- DCF BPI
- Contractor
- Other (please describe):

If DCF BPI, Contractor or Other is selected, proceed to *Overpayments*

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Does this agency have a standard procedure for client investigations?

- Yes  No

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Number of Client Case Referrals (total received in 2017):

Number of Client Investigations (assigned):

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Number of open Client Case Referrals (unassigned):

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Select all common investigative techniques utilized by this agency:

- Request additional information from employer
- Request documentation from provider
- Contact a landlord for lease verification
- Interview the child care provider
- Interview parents
- Interview collateral contacts
- Unannounced home visit
- Conduct preliminary investigations
- Attendance record collection from provider
- Surveillance
- Consult with DCF and/or BPI
- Other (please describe):

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*Overpayments*

Who establishes client overpayments for this agency?

- Agency staff
- DCF BPI
- Contractor
- Other (please describe):

If DCF BPI, Contractor or Other is selected, proceed to *Intentional Program Violations (IPV)*

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Total Client Overpayments for 2017 (in dollars):

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Which of the following tools are used to calculate client overpayments:

- Child Care Overpayment Worksheet
- Spreadsheets
- Manual Calculations
- Post Load Benefit Correction (PLBC)
- Program Integrity Enforcement System (PIES)
- Other (please describe):



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How are overpayments communicated to the client?

- Verbally
  - System generated notice
  - Manual notice
  - Not communicated
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*Intentional Program Violations (IPV)*

How many IPVs has this agency established:

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What challenges does this agency face in establishing IPVs?

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How can this agency overcome these IPV challenges in the next year?

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*Appeal Process*

Has this agency been involved in the client appeal process in 2017?

- Yes    No

If no, proceed to *Planning Ahead: Client Investigation*

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How does this agency track requests for client hearings?

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How does this agency prepare for a client hearing?

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Who represents this agency at a client fair hearing?

- Attorney
  - Investigator
  - Childcare Coordinator
  - Childcare Supervisor
  - Childcare Lead Worker
  - Other (please describe):
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How are client remands tracked and addressed?

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Total number of client remands in 2017:

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Number of client remands that were not processed within the 10 day time frame:

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Does training or corrective action occur within the agency when a remand occurs?

- Yes    No

If yes, please describe:

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*Planning Ahead – Client Investigation*

Anticipated for number of Client Investigations:

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What actions will this agency take to improve client program integrity in the next year?

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What challenges does the agency face in improving client program integrity?

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What resources would help this agency overcome the anticipated challenges?

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What current procedures or policy area(s) could be altered to assist this agency in fulfilling its client program integrity responsibilities?

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**SECTION III – COLLUSION**

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Collusion occurs when multiple parties, such as providers and parents, cooperate in order to defraud the Wisconsin Shares program, so as both parties receive financial benefit.

Has this agency completed any collusion investigations in 2017?

Yes  No

If no, proceed to *Planning Ahead: Collusion*

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Number of collusion cases investigated:

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How does the agency identify cases where parents and/or providers are working together to defraud the Wisconsin Shares program?

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How does this agency investigate cases of collusion?

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What outcomes are pursued as a result of collusion?

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*Planning Ahead: Collusion*

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Anticipated number of Collusion Investigations:

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What challenges does the agency face in detecting collusion cases?

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What resources would help this agency overcome the anticipated challenges?

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**SECTION IV – PROVIDER PROGRAM INTEGRITY**

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*Referrals*

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Did this agency create any provider referrals in 2017?

Yes  No

If no, proceed to *Provider Investigation*.

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Number of Provider Referrals:

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How are referrals received and created?

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Who reviews referrals and how are they substantiated?

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How are referrals tracked?

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How are other programs notified of a referral?

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Who communicates the need for further investigation?

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*Provider Investigation*

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Who performs provider investigations for this agency?

Agency staff

DCF BPI

Contractor

Other (please describe):

If DCF BPI, Contractor or Other is selected, proceed to *Overpayments*.

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Number of Provider Investigations completed:

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Does this agency have standard written procedures for provider investigations?

Yes  No

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Select all common investigative techniques this agency utilizes:

Request attendance records from provider

Request additional documentation from provider

Review waiver of eligibility restrictions for parents who are also childcare providers (DCF-F-432-E)

Contact a landlord for lease verification

Interview child care provider

Interview parents

Interview collateral contacts

- Review 40% Rule violations found in CSAW
  - Review red flag reports and referrals
  - Announced site visit
  - Unannounced site visit
  - Conduct preliminary investigations
  - Validate parent work schedule
  - Conduct surveillance
  - Consult with DCF and/or BPI
  - Follow up with source of referral
  - Request Employment Verification of Earnings (EVFE)
  - Review of employees and confirm reported wages
  - Review licensing/certification violations documented in WISCCRS
  - Contact BECR Licensing Specialist
  - Other (please describe):
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*Overpayments*

Who establishes provider overpayments for this agency?

- Agency staff
- DCF BPI
- Contractor
- Other (please describe):

If none selected, proceed to *Corrective Action*.

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Total Provider Overpayments (in dollars):

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Which of the following tools are used to calculate provider overpayments?

- Excel spreadsheet
  - Manual calculation
  - Post Load Benefit Correction (PLBC)
  - Other (please describe):
- 

How are overpayments communicated to the provider?

- Verbally
  - System generated notice
  - Manual notice
  - Not communicated
- 

Does the agency notify other government programs, such as food program, of any violations?

- Yes  No
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*Corrective Action*

Describe the corrective action procedures, if any, are put into place for providers who have violated the Wisconsin Shares Child Care Subsidy program. You may attach a separate document that discusses your corrective action structure.

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*Intentional Program Violations / Terminations*

What are the agency's criteria for terminating/suspending a provider from the Wisconsin Shares program?

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*Appeal Process*

Was this agency involved in the provider appeal process in 2017?

- Yes  No

If no, proceed to *Planning Ahead: Provider Program Integrity*

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How does this agency track requests for provider hearings?

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How does this agency prepare for a provider hearing?

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Who represents this agency at a provider fair hearing?

- Attorney
- Investigator
- Childcare Coordinator
- Childcare Supervisor
- Childcare Lead Worker
- Other (please describe):

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How are provider remands tracked and addressed?

---

Total number of provider remands in 2017:

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Number of provider remands that were not processed within the 10 day time frame:

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Does training or corrective action occur within your agency when a remand occurs?

- Yes    No

If yes, please describe.

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*Planning Ahead- Provider Program Integrity*

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Anticipated number of provider investigations completed?

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What actions will the agency take to improve provider program integrity?

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What challenges does the agency face in improving provider program integrity?

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What resources would help the agency overcome the anticipated challenges?

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What current procedures or policy areas could be altered to assist the agency in fulfilling program integrity responsibilities?

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What training or corrective action occurs within this agency when a provider remand occurs?

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*Planning Ahead: Provider Program Integrity*

Goal for the number of Provider Investigations completed:

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What actions will this agency take to improve provider program integrity in the next year?

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What challenges will this agency face in meeting these provider program integrity goals?

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What resources would help this agency overcome these anticipated provider program integrity challenges?

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What current procedure or policy area(s) could be altered to assist this agency in fulfilling its provider program integrity responsibilities?

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