



<b>POLICY TITLE</b> <b>Quality Assurance   Fraud Prevention</b>	<b>REFERENCE</b> <b>C.R.S. 26-1-112; 26-1-118;</b> <b>26-2-703 (17.5)</b> <b>CDHS Volume III 3.609</b> <b>CDHS Fraud Prevention Manual</b>
<b>POLICY NO.</b> <b>15.1000.6.17.CWP</b>	<b>EFFECTIVE DATE</b> <b>February 1, 2017</b>
<b>DIVISION DIRECTOR APPROVAL</b>	<b>BOARD OF COUNTY COMMISSIONERS ADOPTION DATE</b>

## **Background / Philosophy**

The fundamental values of the Adams County Colorado Works program include respecting the dignity and well-being of all people, promoting self-determination, honoring cultural diversity, advocating for social justice, and acting with integrity, honesty, genuineness, and objectivity. Program staff considers these standards in ethical and professional decision making. It is the intent of Adams County to promote consistent organizational behavior and develop effective working relationships with human services system and community partners. We respond to the direction of human needs and human circumstance and enhance customer safety, independence, functioning, health and well-being within the context of our community and environment. Likewise, we uphold the integrity and ethics of our own profession, and continually work to increase our professional growth. Finally, we recognize and build on customer and community strengths, and value the accountability of the use of public dollars by maximizing efficient use of resources.

## **Purpose**

The Adams County Quality Assurance and Fraud Prevention policy is established to facilitate the development of systems that will aid in the prevention and detection of internal and external fraud. It is the intent of Adams County to take all allegations of fraud seriously, to investigate all allegations of fraud appropriately, to maintain procedures for assessing the risk of fraud and to educate staff and partners at all levels on fraud awareness and relevant procedures.

This policy contains the standards and framework for the maintenance of program integrity that ensures program accuracy and prevents the misuse of benefits. This policy applies to any irregularity, or suspected irregularity, involving employees as well as

customers, contractors, vendors, consultants, stakeholders, and/or other outside agencies with a business relationship with the department.

## **Policy**

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Adams County staff is responsible for the prevention and detection of fraud.

### *Risk Assessment*

The Adams County staff will be familiar with the types of fraud that might occur within his or her area of responsibility. Staff will be aware of specific behaviors within their work group that can signal that the environment is at high risk for fraud. Management will monitor all logs, posted supportive services, county checks, p-card purchases, and any other type of monetary value, through ongoing audits. Staff is prepared to prevent and/or minimize the development of these risks.

### *STRATEGIES*

#### *Internal Controls*

Fraudulent acts committed by employees of Adams County may include theft or misuse or misrepresentation of data for use in determining eligibility and grant amounts. Common methods and types of internal fraud identified by departments of human services include:

- Deliberate overpayment of benefits to customers
- Creating false persons and applications
- Reporting false information on behalf of the customer
- Transactions (expenses, income, etc.) recorded for incorrect sums
- Altering amounts and details on client documents/cases
- Over-riding denial/fail decisions so as to approve benefits
- Misappropriation of funds
- Unauthorized transactions
- False identification used
- Creating false addresses
- Reversing claims and overpayments without resolving
- Removing benefits from client accounts
- Falsifying documents
- Forged signatures
- Accessing benefits of deceased clients
- Claiming mileage for destinations not traveled

Management, in conjunction with Human Resources, will resolve irregularities concerning an employee's ethical or behavioral conduct.

### Protocols | Other Criteria

(See Adams County Nepotism/Conflict of Interest Policy #15.1000.3.17.CWP)

### External Controls

Adams County addresses Fraud Prevention with our customers using a strength-based approach. We strive to balance between encouraging independence; family well-being and committing to the prevention, detection, and correction of misconduct and dishonesty. At eligibility, Adams County staff reviews and verifies supporting documentation provided by the applicant on the application, and requests pertinent information as necessary to determine program eligibility. Workers will, whenever possible, contact the county or state in which the applicant formerly resided (if applicable) to gather information needed to conform eligibility of the applicant including, but not limited to, previous eligibility, sanctions, work history, and fraudulent activities. At Adams County staff member verifies household composition, employment, and residence status by the following procedures which include, but are not limited to:

- Interfaces with DOLE, SSA and other state agencies
- Collateral contacts
- Unannounced home visits
- Other legal means deemed necessary to determine eligibility
- Client statements

All Adams staff members who discover or suspect fraudulent activity will:

- Verify the fraud
- Establish a recovery for the over issuance period
- Document the recovery in CBMS case comments
- Complete an investigation referral form
- Attach the investigation referral form to case record
- Program Administrators review and approve the referral for investigation and forwards to the Fraud Investigator
- A record of all fraud referrals is maintained by the Administrator

### Prudent Person Principle | Collateral Contact

When necessary and practical, Adams County implements procedures for independent verification of customer information. We check on addresses, Social Security Numbers and other case information. Examples of checking on customer information include, but are not limited to:

- Checking addresses in Google, and/or other search engines
- Checking addresses with the county assessor
- Checking Social Security Numbers for validity or duplication
- Contacting Landlords
- Confirming family membership and their identities
- Calling Employers

- Checking School records
- Contacting Car Dealers

### Monitoring

Management and Administrators run a variety of reports to review case work for abnormalities, payments over a specific threshold limit, Diversions, supportive services and other activities that may point toward fraud. The Administrators and the management team review payment patterns and statistics. Reports reviewed include, but are not limited to:

- Payments over \$1,500.00
- Monthly Issuance Participation Report
- Security Profiles in the Colorado Benefit Management System
- Supervisory authorization at specified levels of benefit approval
- Death Match Report
- PARIS
- Out of State Electronic Benefit Transfer (EBT) Usage
- Duplicate Social Security Number (SSN) Report
- IEVS Reports
- EBT Prohibited Access Reports

The Administrators and the management team use logs and other internal tracking devices to cross reference specific case actions.

The Adams County Quality Assurance Team uses Transaction Case Sampling to pull a percentage of case actions for each worker. Supervisors then review and authorize. This process is instrumental in preventing and detecting fraud, and enhancing our ability to find errors, target training and staffing needs, and ensure that our customers are receiving appropriate benefits and services.

### Reporting Procedures / Fraud Investigations

Adams County staff are encouraged to report concerns to the Adams County Fraud Investigator, who prepares a written report for Administrators and the management team to review and determine what, if any, further action will be taken. Actions can include, but are not limited to:

- Determination that no fraud was committed
- Further investigation is required
- Determination of the amount of overpaid benefits
- Referral back to the case manager
- Termination of assistance
- Administrative hearings
- Referral for establishment of account receivable
- Referral to the District Attorney (DA) for prosecution

The State Fraud Hotline is maintained to encourage the public to report suspected fraud 24 hours a day by telephone at 1-877-934-6361, by fax at 303-866-7332, or via –mail at [colette.kreger@state.co.us](mailto:colette.kreger@state.co.us).

*Confidentiality*

Adams County staff and others involved in the process of fraud investigation treat all information received confidentially. Investigation results will be disclosed or discussed on a “need to know” basis only. This is important to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct. Any employee who suspects dishonest or fraudulent activity will notify the director, or designee, immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

*Staff Training*

New staff is trained at the time of hiring on the department’s values and code of ethics. The training explicitly covers fraud awareness and prevention with a positive tone, and stresses the expectations on all employees regarding their duty to communicate certain matters, specific examples of suspected fraud, and how to report. Ongoing training is offered through the Colorado Welfare Fraud Council (CWFC) and the state Division of Employment and Benefits Professional Development Academy.

Signed by:

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Eva J. Henry, Chair, Board of Adams County Commissioners, Adams County Colorado

Date

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Adams County Workforce and Business Center Local Area Director

Date

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Adams County Human Services Department Director

Date