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THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Community Services Agency BOARD AGENDA # *B-4

Urgent Routine

AGENDA DATE October 2, 2012

CEO Concur with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of the Stanislaus County Community Services Agency In-Home Supportive Services (IHSS) Fraud Investigations and Program Integrity Plan Extension for Fiscal Year 2012-2013

STAFF RECOMMENDATIONS:

1. Approve the Community Services Agency County In-Home Supportive Services (IHSS) Fraud Investigations and Program Integrity Plan Extension for Fiscal Year 2012-2013.
2. Authorize the Chairman of the Board of Supervisors to sign "Enclosure A", County Response Cover Page to be submitted to the California Department of Social Services with the attached Budget Justification and letter of extension.

FISCAL IMPACT:

On September 11, 2012 the Board of Supervisors approved the County's 2012-2013 Final Adopted Budget which included funding authorization for the Community Services Agency (CSA) Fraud Investigations and Program Integrity Efforts related to the In-Home Supportive Services (IHSS) Program. Appropriations of \$409,837 are supported with Estimated Medi-Cal Federal financial participation funding of \$204,919 and the required County Share Match of \$204,918. There is no additional General Fund impact associated with approval of this plan extension.

BOARD ACTION AS FOLLOWS:

No. 2012-507

On motion of Supervisor De Martini, Seconded by Supervisor Monteith
and approved by the following vote,

Ayes: Supervisors: Chiesa, Withrow, Monteith, De Martini and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of the Community Services Agency County Fraud Investigations and Program Integrity Efforts Related to The In-Home Supportive Services Program Plan Extension for Fiscal Year 2012-2013

Page 2

DISCUSSION:

The Community Services Agency's (CSA) Plan for Fraud Investigations and Program Integrity Efforts documents the County's program for Anti-Fraud activities. The plan documents the collaborative efforts and partnerships of the CSA Special Investigations Unit, In-Home Supportive Services (IHSS) Program Staff, the District Attorney's Office, the California Department of Health Care Services and the California Department of Social Services (CDSS) working together in order to preserve the integrity of the IHSS program.

On September 5, 2012, the Stanislaus County Board of Supervisors received the attached letter from the California Department of Social Services (CDSS) informing counties that CDSS will permit counties to administratively claim Medi-Cal federal financial participation (FFP) for allowable county expenditures retroactive to July 1, 2012 for the Fraud Investigations and Program Integrity Efforts related to the IHSS Program. Administrative claiming refers to the invoice process CDSS requires for all California counties to receive funding for Social Services programs and that will be used by CSA to submit IHSS Fraud expenditures for 50% Federal funding reimbursement. CDSS must authorize this claiming through approval of a County submission of requested documents. CSA has selected option 2 and will submit: Enclosure A - County Response Cover Page; Enclosure B - a County Board of Supervisors approved budget for FY 2012-2013 consistent with Final Budget authority; letter of plan extension for the County Fraud Investigations and Program Integrity Efforts Related to the IHSS Program through FY 2012-2013.

As described within the Final FY 2012-2013 County Budget approved on September 11, 2012, the Board of Supervisors approved to continue the Community Services Agency IHSS Fraud program consistent with authority provided on February 28, 2012 in spite of the State Budget Trigger action which eliminated State funding for fraud detection effective January of 2012 forward. The 2012-2013 Adopted Proposed Budget relied on Federal funds of \$208,549, provided County General Fund match of \$62,839, and established Contingency match funding for IHSS Fraud in the amount of \$145,710 for a total of \$417,098. The Department updated this projection for IHSS Fraud at the Final Budget to \$409,837, a decrease of \$7,261 from the Adopted Proposed Budget estimate of \$417,098. Federal funding continues at a 50% sharing ratio with County funding required for the remaining 50% share of cost. Given the prior level of County General Funds of \$62,839 committed for IHSS Fraud, this resulted in a County match request increase of \$142,079, down from the estimate of \$145,710 in the Adopted Proposed Budget. The Board of Supervisors approved the \$142,079 increased General Fund support for IHSS Fraud by 4/5 vote in their adoption of the Final County Budget for FY 2012-2013.

Approval of the Community Services Agency County Fraud Investigations and Program Integrity Efforts Related to The In-Home Supportive Services Program Plan Extension for Fiscal Year 2012-2013

Page 3

The information package required by CDSS was not available within the Final Budget time frames and is submitted now to document the Board's approval and funding commitment to extend the IHSS Fraud program through FY 2012-2013.

Program Integrity efforts within the IHSS program are administered in a team approach that begins with the assessments provided by IHSS Social Workers. It is monitored through Quality Assurance and when there is suspected abuse a referral is made to the CSA Special Investigations Unit for Fraud Investigation. The IHSS Fraud Investigations Program has an established record of cost avoidance since its inception in January of 2010. The Department projects approximately 384 completed investigations during Fiscal Year 2012-2013 with a total cost avoidance of \$1.3 million in program savings.

The local return on investment (ROI) has declined with the loss of State General Fund support for IHSS Fraud Investigations, however it remains positive. For every \$1 the County spends on the IHSS Anti Fraud Pilot Program, \$1.12 will be saved in County costs of IHSS. The recently approved Community First Choice Option (CFCO) enhanced Federal funding for the IHSS program and will reduce the County level return on investment, remaining essentially cost neutral. The IHSS Fraud Investigations program will continue to be an important component of IHSS Program Integrity.

As the IHSS Fraud program will continue to produce positive results for the County contingent upon Federal funding, the department requests approval of the attached documents to continue to claim Medi-Cal Federal Financial participation program costs. For Counties that will continue the IHSS Fraud Program, CDSS requires: 1.) The County to send a letter requesting extension of their Fiscal Year 2011-2012 County Fraud Plan to the current fiscal year; 2.) The County Board of Supervisors must approve the attached County Fraud Funding Plan for Fiscal Year 2012-2013 and; 3.) The Board of Supervisors sign the attached County Response Cover Page.

POLICY ISSUES:

Approval of this item supports the Board's priorities of Efficient Delivery of Public Services and Effective Partnerships by working with County partners to investigate and prosecute fraud which strengthens IHSS program integrity.

STAFFING ISSUES:

The Community Services Agency will commit existing program staff resources to support the Fraud Investigations and Program Integrity efforts for the In-Home Supportive Services Program, in accordance with the Fiscal Year 2012-2013 Plan.

CONTACT PERSON:

Christine C. Applegate, Director 558-2500



CDSS

WILL LIGHTBOURNE
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



EDMUND G. BROWN JR.
GOVERNOR

September 5, 2012

TO: COUNTY BOARD OF SUPERVISORS

SUBJECT: **ADMINISTRATIVE CLAIMING MEDI-CAL FEDERAL FINANCIAL PARTICIPATION FOR FRAUD INVESTIGATIONS AND PROGRAM INTEGRITY EFFORTS RELATED TO THE IN-HOME SUPPORTIVE SERVICES PROGRAM FOR FISCAL YEAR 2012/13**

REFERENCE: COUNTY FISCAL LETTER (CFL) 11/12-40

Honorable Chair and Board Members:

The purpose of this letter is to inform counties that the California Department of Social Services (CDSS) will permit counties to administratively claim Medi-Cal federal financial participation (FFP) for allowable county expenditures retroactive to July 1, 2012. To obtain CDSS approval counties must submit either:

- 1) A County Board of Supervisors approved Fraud Plan and budget for fiscal year (FY) 2012/13, or
- 2) A County Board of Supervisors approved budget for FY 2012/13 *and* a letter extending their FY 2011/12 County Fraud Plans to the current fiscal year.

The new fraud plan or budget and letter of extension must reflect coordination with the County Welfare Director and the District Attorney and approval by the County Board of Supervisors prior to submission. The letter and approved budget will satisfy the fraud plan requirements necessary to permit administrative claiming.

Attached you will find a County Response Cover Page (Enclosure A) and Sample Budget Justification (Enclosure B). The package may sent by email, fax or mail to

Bich Truong, Program Analyst,
Quality Assurance Research and Program Integrity Unit,
Adult Programs Division
California Department of Social Services
744 P Street, MS 9-7-95,
Sacramento, California 95814
Fax (916) 653-2220
IHSS-PI@dss.ca.gov

County Board of Supervisors
Page Two

Counties seeking to participate in this program must submit the approved package by October 19, 2012. Please contact Bich Truong, Analyst, QA Research and Program Integrity Unit at (916) 651-3494 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Eileen Carroll".

EILEEN CARROLL
Deputy Director
Adult Programs Division

Enclosure(s)

c: County Welfare Directors
County District Attorneys
California Welfare Directors Association
California State Association of Counties



COMMUNITY SERVICES AGENCY

Christine C. Applegate
Director

251 E. Hackett Road
P.O. Box 42, Modesto, CA 95353-0042

Phone: 209.558.2500 Fax: 209.558.2558

September 13, 2012

Bich Truong, Analyst
QA/ Program Integrity Unit
CDSS, APB
744 P Street, MS 9-7-95
Sacramento, CA 95814

FAX: (916) 653-2220

RE: Funding for Fraud Investigations and Program Integrity Efforts Related to the In-Home Supportive Service Program for FY 2012-13

Dear Ms. Truong,

Please accept the following information as Stanislaus County's request to extend Fiscal Year 2011-2012 Stanislaus County previously approved Fraud Plan to Fiscal Year 2012-2013 with Board Approval for funding fraud investigations and program integrity efforts related to the In-Home Supportive Services program.

- Enclosure A - County Response Board Approved Cover Page
- Enclosure B - Budget Justification Document

If you need any further information, or have any further questions, please contact S.I.U. Chief Investigator William Ryan at (209) 558-2880.

Sincerely,

Christine C. Applegate
Director



Enclosure A

**COUNTY RESPONSE COVER PAGE
COMPLETE AND SUBMIT WITH BUDGET**

Stanislaus County is requesting participation in the IHSS Fraud Prevention Program.

Board of Supervisors Approval

Approved on September 11, 2012, by the County Board of Supervisors

Name of Approver: William O'Brien Title: Chairman

Signature 

Board of Supervisors

Name of Representative: Christine Ferraro Title: Clerk of the Board

Telephone #: (209) 525-4494

Email Address: ferrroc@stancounty.com

County Welfare Department (Designated contact for all plan inquiries)

Name of Representative: Christine Applegate Title: Director, CWD

Telephone #: (209) 558-2500

Email Address: ApplegateC@stancounty.com

County District Attorney Office

Name of Representative: Birgit Fladager Title: District Attorney

Telephone #: (209) 525-5550

Email Address: Birgit.Fladager@standa.org

Budget Justification

Stanislaus County's Fraud Funding Plan for FY 2012-13

Budget Section	Total
A. Personnel Costs (includes employee benefits)	\$ 302,777
B. Operating Expenses	\$ 107,060
C. Equipment Expenses	\$ 0
D. Travel/Per Diem and Training	\$ 0
E. Subcontracts and Consultants	\$ 0
F. Other Costs	\$ 0
G. Indirect Expenses	\$ 0
Total Expenses	\$ 409,837

A. Personnel Costs (including employee benefits)	Total Budget
<p>Title: 2 Special Investigator I/II</p> <p>Salary Calculation: Average monthly Salary for 2 fraud investigators for 12 months</p> <p>Duties Description: Sworn peace officers who will conduct fraud investigations in the IHSS program. The investigations will include, but not be limited to, home visits and consent searches, interviews with providers and recipients, interviews with witnesses, various types of surveillance, and obtaining and reviewing documentary evidence. Cases found fraudulent will be assessed for overpayments and may be referred to the District Attorney's Office for criminal prosecution when appropriate.</p>	\$ 192,648
<p>Title: 1 Special Investigator III</p> <p>Salary Calculation: Average Monthly Salary for a fraud investigator at .2 FTE for 12 months</p> <p>Duties Description: Supervise sworn peace officers and non-sworn staff who will assist and conduct fraud investigations in the IHSS program. The investigations will include, but not be limited to, home visits and consent searches, interviews with providers and recipients, interviews with witnesses, various types of surveillance, and obtaining and reviewing documentary evidence. Cases found fraudulent will be assessed for overpayments and may be referred to the District Attorney's Office for criminal prosecution when appropriate</p>	\$ 19,265
<p>Title: 1 Fraud Technician</p> <p>Salary Calculation: Average monthly Salary for a fraud investigator for 12 months</p> <p>Duties Description: Investigative assistant who will assist with conducting fraud investigations in the IHSS program, including assisting sworn investigators with home visits, interviews, reports, evidence gathering and surveillance activity.</p>	\$ 90,864
Total Personnel Costs:	\$302,777

Enclosure B

B. Operating Expenses	Total Budget
Title: Operating Support Costs Description: Operating Support Costs includes operating expenses such as space, utilities, office supplies, postage, staff development, EDP, etc. incurred in the course of doing business. Operating Support Costs are charged to IHSS Fraud consistent with the CDSS County Expense Claim guidelines which ensure an equitable distribution of costs across all CSA programs based on time studied casework hours.	\$ 107,060
Title: Description:	\$ 0
Title: Description:	\$ 0
Total Operating Expenses:	\$107,060

C. Equipment Expenses	Total Budget
Title: Description:	\$0
Title: Description:	\$0
Title: Description:	\$ 0
Total Equipment Expenses:	\$ 0

D. Travel/Per Diem and Training	Total Budget
Title: Description:	\$ 0
Title: Description:	\$ 0
Title: Description:	\$ 0
Total Travel/Per Diem and Training:	\$ 0

Enclosure B

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

F. Other Costs	Total Budget
Title: Description:	\$ 0
Title: Description:	\$ 0
Title: Description:	\$ 0
Title: Description:	\$ 0
Title: Description:	\$ 0
Total Other Costs:	\$ 0

G. Indirect Expenses	Total Budget
Title: Description:	\$ 0
Title: Description:	\$ 0
Total Indirect Expenses:	\$ 0