

DEPARTMENT OF CHILDREN AND FAMILIES
DIVISION OF EARLY CARE AND EDUCATION
ADMINISTRATOR'S MEMO SERIES

ACTION
 NOTICE DECE 09-01

ISSUE DATE: 10/2/2009
DISPOSAL DATE: 12/31/2009

To: Child Care Program Directors

From: Henry Wilde
Deputy Secretary

RE: Child Care Administration
2009 Fraud Allocation

PURPOSE

This memo provides notice of additional fraud prevention and fraud investigation funding for child care and W-2 for counties for the period of January 1, 2009 through December 31, 2009.

BACKGROUND

The Department of Children and Families (DCF) has paid the Department of Health Services (DHS) for its statutorily required effort to reduce payment errors and investigate fraud for participant fraud in AFDC, W-2, and Child Care.

Wisconsin funds W-2 and Child Care benefits from a variety of state and federal sources, including federal TANF funds. Under these and other public assistance programs, a person may occasionally receive benefits that should not have, or may receive more than the correct amount (or, in the case of child care subsidies, receive the benefit of a higher payment to their provider). These circumstances can arise due to error by the administering agencies, error by child care providers, or intentional misrepresentations, which if legally proven, may constitute fraud. The federal government requires states to take measures to promote accuracy in benefit payments and to recover any overpayments that are made in order to ensure compliance with federal guidance related to AFDC and TANF overpayment recoveries.

In April 2009, the Department of Health Services (DHS) informed us that due to budget cuts to their state funds, they needed to reduce the overall amount of the county fraud contract. DHS said they could only accept \$230,000 from the Department of Children and Families (DCF) for participant fraud.

The Department of Children and Families has transferred \$230,000 to DHS for the contracts. DCF has also decided to allocate \$325,000 to local agencies child care administration contracts. **The allocations are based on the percent of allocations that counties receive and counties that had expenditures on Front End Verification and Investigations in 2008** after consultation with the Wisconsin County Human Services Association.

The purpose of the funding will be used to investigate suspected fraudulent activity on the part of recipients of W-2 and child care providers.

2009 Allocations

The funding level for the 2009 Fraud Prevention and Fraud Detection is \$325,000. It is attached.

The following are the descriptions to report expenditures:

0840: Fraud Prevention and Investigation Services (Contract Code-not used for reporting)

0841: Child Care Provider Fraud Prevention and Investigation Services: Report direct costs for operation of the child care provider fraud prevention and investigation services. Examples of eligible costs include program monitoring, fraud prevention efforts, internal provider investigation services, provider surveillance, contracted provider investigation services, provider overpayment determinations and costs associated with pursuing related criminal investigations.

8841: County Allocated Non-Direct Costs - Child Care Provider Fraud: Report all allocated, non-direct costs included in your shared cost pool related to expenditures identified in the reporting instructions for CORE code 0841, Child Care Provider Fraud Prevention and Investigation Services.

0842: W-2 Client Fraud Prevention and Investigation Services: Report direct costs for operation of the W-2 client fraud prevention and investigation services. Examples of eligible costs include program monitoring, fraud prevention and investigation services.

8842: County Allocated Non-Direct Costs W-2 Client Fraud: Report all allocated, non-direct costs included in your shared cost pool related to expenditures identified in the reporting instructions for CORE code 0842, W-2 Client Fraud Prevention and Investigation Services.

You may not include expenditures already reported to your DHS fraud contract.

ACTION SUMMARY STATEMENT

County fraud investigation funds for the period of January 1, 2009 through December 31, 2009 will be issued in October 2009 for the amounts listed on the attached 2009 Allocation chart.

2010 Fraud Investigation Funds

DCF will consult with the Wisconsin County Human Services Association on recommendations for the 2010 contract in the next months regarding the approach to the 2010 fraud investigation funds

CONTACT: Jim Bates, Fraud Detection and Investigation Section Chief, Bureau of Early Childhood Education, (608) 266-6946

Attachment: 2009 Fraud Allocation

2009 CHILD CARE ADMINISTRATION AND Fraud CONTRACT ALLOCATIONS
Contract Period – Counties: 01/01/0-12/31/09

County	2009 Allocation Based on Caseload
ADAMS	\$734.88
ASHLAND	\$1,203.43
BARRON	\$1,859.40
BAYFIELD	\$0.00
BROWN	\$11,373.40
BUFFALO	\$360.04
BURNETT	\$508.01
CALUMET	\$1,119.58
CHIPPEWA	\$0.00
CLARK	\$680.63
COLUMBIA	\$1,706.50
CRAWFORD	\$749.68
DANE	\$23,614.84
DODGE	\$0.00
DOOR	\$0.00
DOUGLAS	\$2,697.85
DUNN	\$1,173.84
EAU CLAIRE	\$5,716.29
FLORENCE	\$0.00
FOND DU LAC	\$3,812.50
FOREST	\$0.00
GRANT	\$0.00
GREEN	\$0.00
GREEN LAKE	\$616.51
IOWA	\$596.78
IRON	\$389.64
JACKSON	\$646.10
JEFFERSON	\$0.00
JUNEAU	\$739.81
KENOSHA	\$15,106.99
KEWAUNEE	\$0.00
LA CROSSE	\$5,573.26
LAFAYETTE	\$0.00
LANGLADE	\$0.00
LINCOLN	\$1,144.24
MANITOWOC	\$0.00
MARATHON	\$5,810.00
MARINETTE	\$1,099.86
MARQUETTE	\$478.41
MENOMINEE	\$0.00
MILWAUKEE	\$153,969.95
MONROE	\$1,474.69
OCONTO	\$1,159.04
ONEIDA	\$1,642.39
OUTAGAMIE	\$6,377.19

OZAUKEE	\$0.00
PEPIN	\$167.69
PIERCE	\$0.00
POLK	\$1,119.58
PORTAGE	\$3,048.03
PRICE	\$552.39
RACINE	\$14,164.96
RICHLAND	\$720.08
ROCK	\$9,045.45
RUSK	\$567.19
SAUK	\$2,120.80
SAWYER	\$1,376.05
SHAWANO	\$1,282.34
SHEBOYGAN	\$3,250.25
ST. CROIX	\$2,392.06
TAYLOR	\$0.00
TREMPEALEAU	\$1,099.86
VERNON	\$0.00
VILAS	\$0.00
WALWORTH	\$0.00
WASHBURN	\$557.33
WASHINGTON	\$4,009.79
WAUKESHA	\$9,247.67
WAUPACA	\$1,519.08
WAUSHARA	\$725.03
WINNEBAGO	\$7,467.19
WOOD	\$4,932.10
County Total	\$323,500.65

Tribe	
BAD RIVER	\$350.18
FOREST CO	
POTAWATOMI	\$0.00
LAC DU FLAMBEAU	\$0.00
ONEIDA TRIBE	\$872.98
RED CLIFF	\$123.30
SOKAOGON	\$152.89
STOCKBRIDGE-MUNSEE	\$0.00
Tribe Total	\$1,499.35

Statewide Grand Total **\$325,000**