

HEALTH SERVICES -- MEDICAID SERVICES ADMINISTRATION

Fraud Prevention and Investigation Allocations to IM Consortia

Motion:

Move to provide \$500,000 (\$250,000 GPR and \$250,000 FED) annually to increase, from \$1,000,000 per year to \$1,500,000 per year, the amount of funding that would be budgeted for DHS to provide to local units of government to conduct medical assistance and FoodShare fraud prevention and investigation activities.

Note:

The Department of Health Services (DHS) fraud prevention and investigation program (FPIP) is currently budgeted \$1,000,000 (\$500,000 GPR and \$500,000 FED) annually to support statewide fraud prevention activities conducted by agencies, other than Milwaukee Enrollment Services (Miles) that administer medical assistance (MA) and FoodShare. In each calendar year, DHS allocates this funding based on each agency's percentage of the statewide income maintenance (IM) caseload. State and local funding that supports these activities is eligible for federal matching funds equal to 50% of eligible costs.

Each IM consortium determines what staff will conduct FPIP investigations, which may include agency staff, contracted staff, local law enforcement, or some combination.

Recoveries of public benefit overpayments made as a result of local activities and activities conducted by the DHS Office of the Inspector General are divided between the federal government, the state, and the local agencies. The federal, state and local share of these recoveries depends on whether the recovered benefits were initially paid from FoodShare or MA, and whether the recoveries were the result of client error, an error made by the administering agency, or fraud committed by the recipient.

For recoveries resulting from FoodShare fraud, the amounts recovered are divided as follows: federal share -- 65%; state share --20%; and local share -- 15%. For recoveries resulting from MA fraud, amounts recovered are divided as follows: federal share -- 60%; state share -- 25%; and local share 15%.

[Change to Bill: \$500,000 GPR and \$500,000 FED]

[Change to Base: \$500,000 GPR and \$500,000 FED]