

SESA

Alleviate Growing Backlog



2015-17 BIENNIAL BUDGET

Request	FY16	FY17	15-17
FTE	10	16	13
GF-State	\$466,000	\$750,000	\$1,216,000
Total	\$932,000	\$1,500,000	\$2,432,000

DECISION PACKAGE SUMMARY

The Services and Enterprise Support Administration requests 16.0 FTEs in order to alleviate a growing backlog of fraud investigations. By funding this request, the Office of Fraud and Accountability is expected to eliminate the backlog of cases and enable a timely response to allegations of fraud, waste and abuse.

PROBLEM STATEMENT

The Office of Fraud and Accountability investigates all allegations of fraud, waste and abuse in DSHS programs with the exception of Medicaid provider cases. In 2011, DSHS had a pool of approximately 6,500 cases that were waiting for investigation. Significant administrative efficiencies instituted by DSHS through LEAN, and the addition of five staff by the legislature attempted to address the backlog of cases. However, in 2011 new responsibility was given to OFA requiring staff to also begin investigations of childcare providers, and electronic benefit card (EBT) fraud and misuse that were not being done in previous years.

The Office of Fraud and Accountability utilized LEAN practices, the new staff and a new fraud case management system installed in 2013 to reduce the backlog of fraud investigations. However, a large pool of cases remains. The current backlog total is over 3,500 cases made up of 500 cases for eligibility fraud (FRED) and approximately 3,000 overpayment/criminal cases.

Efforts in 2014 are underway to examine and prioritize the 3,000 overpayment/criminal cases with available resources. Without new resources it is anticipated to take until early January 2016 to complete the review, with investigations still pending. In addition, the amount of referrals for overpayment or criminal prosecution grows an average of 100 cases per month.



DSHS VISION
 People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION
 To transform lives

DSHS VALUES
 Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

SESA
Fraud Investigations



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PROPOSED SOLUTION

The funding will provide additional personnel to investigate fraud cases that currently are not being investigated due to an increase in both cases and activity. The funding will provide 5.0 FTE's to investigate questions of eligibility in a timely manner to assure public benefits are provided to those who truly need the benefits. An additional 10.0 FTE's will investigate cases where a client or provider has lied about eligibility and an overpayment or criminal case needs to be completed for an administrative hearing or prosecution. The additional funding will reduce or eliminate backlogs in the Office of Fraud and Accountability during the 2015-2017 Biennium. One FTE will be an overpayment specialist to process the increase in overpayments created by the work of the new investigators.

The addition of 5.0 FTE's in 2011 has increased the amount of overpayments due back to the state by \$500,000 in fiscal year 2013.

EXPECTED RESULTS

The funding will reduce or eliminate backlogs in the Office of Fraud and Accountability as well as increase the overpayments due back to the state in the 2015-17 Biennium.

The budget request supports DSHS Goal 5: Public Trust-Strong Management practices will be used to ensure quality and efficiency by ensuring all fraud, waste and abuse allegations are investigated quickly and acted upon.

This request also supports Results Washington Goal 5: Effective, efficient and accountable government by ensuring that any allegations of fraud, waste and abuse is investigated both timely and thoroughly to assure public benefits are spent appropriately and those who defraud the program are held accountable.

STAKEHOLDER IMPACT

DSHS provides direct services to upwards of 2.4 million clients. These investigators and their investigations will have a positive impact on the clients by ensuring more benefit money is available to those who truly need the benefits. Public support of providing these benefits is enhanced when the public knows the benefits are being paid to those in need.



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