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GOVERNOR WALKER HONORS RACINE COUNTY FRAUD UNIT

Partnership with Office of Inspector General and Kenosha County Nets Savings of Almost \$9.7 million

Sturtevant – Governor Scott Walker visited Racine County’s Ives Grove County Building in Sturtevant today to highlight the strong efforts of state and local agency fraud prevention and investigation staff to protect the integrity of the Medicaid and FoodShare Programs in Wisconsin.

Shortly after taking office in 2011, the Governor signed Executive Order #2 creating the Governor’s Commission on Waste, Fraud and Abuse. One of the concerns expressed in the order was that while enrollment in the FoodShare Program had steadily increased the number of completed fraud investigations decreased to about 3,200 statewide.

Based on recommendation from the committee Governor Walker created the Department of Health Services Office of the Inspector General (OIG) in October 2011 to consolidate and improve the Department’s public assistance program integrity and fraud prevention efforts and provided additional staffing resources for recipient fraud detection and prevention. Previous to the current administration, DHS had one staff member who provided support to local agency fraud efforts. The Fraud Investigation, Recovery and Enforcement (FIRE) Section in the OIG now has 30 staff, and 23 of those positions support Medicaid and FoodShare Program fraud prevention and detection activities.

Much of the recipient fraud detection and prevention for DHS programs begins at the local level, and some areas, including Racine County, are very aggressive in this effort. They strictly enforce a local anti-fraud ordinance and have established a solid relationship with the Racine County District Attorney’s Office and local courts to prosecute the most egregious cases of public assistance fraud. They utilize ex law enforcement personnel to conduct investigations.

The county-level fraud prevention is funded in part by increases in the past two state budgets. OIG provides \$1,000,000 annually to ten Fraud Prevention and Investigation Programs (FPIP) consortia and nine tribal agencies. This funds local agency investigators, private investigators, or police investigators.

DHS provides almost \$9 billion in benefits to more than 1.3 million people in Wisconsin annually. As a result of the Governor's and Legislature's commitment to program integrity, fraud program savings have steadily increased at the state and local level.

Measuring performance of the FPI Program includes a review of Medicaid and/or FoodShare overpayments established and cost avoidance achieved. In 2016, overpayments established totaled almost \$21 million, compared to \$6 million in 2012. In 2016, cost avoidance amounted to about \$17.5 million, compared to \$8.5 million in 2012.

The OIG also closely monitors FoodShare recipients who intentionally defraud the program. In 2016, 1,382 persons were suspended from the FoodShare program for intentional fraud, compared to 203 in 2012.

Racine County's fraud unit is an excellent example of what local agencies are accomplishing with the support provided by the OIG through fraud funding and technical assistance. Since 2012 Racine County has established program savings resulting from FoodShare and Medicaid fraud investigations totaling just over \$5.5 million and the Wisconsin Kenosha Racine Partnership FPIP Consortium they lead (consisting of Racine and Kenosha Counties) has saved almost \$9.7 million, collectively, in the same time period.

Program integrity in our public assistance programs ensures that we are able to provide benefits to the citizens of our state that really need them. The partnership between the OIG and local agency fraud units are committed to making sure the right benefits go to the right people. Executive Order # 2 noted in 2011 that there were approximately 3,200 fraud investigations completed statewide in 2008. In 2015 state and local fraud investigators completed over 16,000 Medicaid and FoodShare investigations.

For more information on the OIG's fraud efforts you can go to <https://www.dhs.wisconsin.gov/oig/index.htm>

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