

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

DEPT: Community Services Agency

BOARD AGENDA # B-14

Urgent ☐

Routine ☒

AGENDA DATE August 31, 2010

CEO Concurs with Recommendation YES ☒ NO ☐
(Information Attached)

4/5 Vote Required YES ☐ NO ☒

SUBJECT:

Approval of the Community Services Agency Fiscal Year 2010-2011 Plan for Fraud Investigations and Program Integrity Efforts for the In-Home Supportive Services Program

STAFF RECOMMENDATIONS:

1. Approve the Community Services Agency Fiscal Year 2010-2011 plan for Fraud Investigations and Program Integrity Efforts for the In-Home Supportive Services (IHSS) Program.
2. Authorize the Community Services Agency to participate in the Enhanced IHSS Anti-Fraud Program in Fiscal Year 2010-2011.

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FISCAL IMPACT:

Funding for the In-Home Supportive Services (IHSS) Program Integrity Efforts Plan was first provided through the State's Budget Act of 2009 and has been included in the State's Proposed Fiscal Year 2010-2011 budget plan. The proposed funding authority for Stanislaus County in Fiscal Year 2010-2011 is \$421,051 of which \$356,795 is Federal and State funding and will require a County match of \$64,256.

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BOARD ACTION AS FOLLOWS:

No. 2010-552

On motion of Supervisor DeMartini, Seconded by Supervisor O'Brien
and approved by the following vote,
Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

- 1) ☐ Approved as recommended
- 2) ☐ Denied
- 3) ☒ Approved as amended
- 4) ☐ Other:

MOTION: Approved staff recommendations Nos. 1 through 4, and **amended** the item to direct staff to meet and confer with the exclusive bargaining representative for IHSS workers, if required by law, regarding any impacts of Staff Recommendations Nos. 1 through 4 on providers.

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

STAFF RECOMMENDATION (Continued):

3. Authorize the Chairman of the Board to sign the County Response Cover Page and Checklist "Enclosure B" for submission to the State Department of Social Services.
4. Direct the Auditor Controller to make the necessary adjustments to the Community Services Agency (CSA) Budget, Program Services and Support as detailed in the attached Budget Journal form.

FISCAL IMPACTS (Continued):

Due to the non-mandated nature of this project, the Community Services Agency is not seeking additional County General Funds to support this program. The Agency anticipates using departmental fund balance of \$64,256 to fully maximize the Federal/State funds provided. This fund balance is a combination of savings earned during the 2009-2010 first year program operations: \$19,873 county share savings realized from reduced IHSS Fraud program administration costs; and \$44,383 set aside from savings realized from the return on investment (ROI) generated by the IHSS Program Integrity Efforts. For every \$1 spent to investigate IHSS Fraud, the ROI projection is \$2.19 in County cost avoidance. Total County cost avoidance savings from completed investigations for the period of January 1, 2010 through June 30, 2010 are \$97,792.

Appropriations of \$109,127 and estimated revenues of \$93,964, representing the first quarter of operations, are available in the Community Services Agency Fiscal Year 2010-2011 Program Services and Support Proposed budget. The attached Budget Journal increases the appropriations by \$311,924 for a total program cost of \$421,051. Estimated revenue is increased by \$262,831 for a total of \$356,795. Fund Balance of \$64,256 will provide the necessary local match for Fiscal Year 2010-2011. Should the Final State Budget discontinue funding for this program, the Agency will return to the Board of Supervisors for direction on close-out or approval of alternate funding strategies. There is no additional cost to the County General Fund related to approval of the IHSS Program Integrity Efforts Plan.

DISCUSSION:

Background

The In-Home Supportive Services (IHSS) program was designed to keep recipients out of nursing homes and board and care facilities to hold down the public cost of institutional care for the aged, blind and disabled residents of California. This is a

Approval of the Community Services Agency Fiscal Year 2010-2011 Plan for Fraud Investigations and Program Integrity Efforts for the In-Home Supportive Services Program
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mandated program. All recipients found eligible will receive services according to their assessed need.

The IHSS Program Welfare and Institute Code 12300 (a) states "to provide in every county in a manner consistent with this chapter and the annual Budget Act those supportive services identified in this section to aged, blind, disabled persons, as defined under this chapter, who are unable to perform the services themselves and who cannot safely remain in their homes or abodes of their own choosing unless these services are provided."

Section (b) states "Supportive Services shall include domestic services and services related to domestic services, heavy cleaning, personal care services, accompaniment by a provider when needed during necessary travel to health-related appointments or to alternative resource sites, yard hazard abatement, protective supervision, teaching and demonstration directed at reducing the need for other supportive services, and paramedical services which make it possible for the recipient to establish and maintain an independent living arrangement."

A recipient must be aged, blind or disabled and have an income at or below the Social Security Income (SSI)/State Supplemental Payment (SSP) grant level of approximately \$845 per month, with no more than \$2,000 in assets per person, or \$3,000 in assets per couple (vehicles and homes are excluded).

On average, about 6,000 residents in Stanislaus County are receiving IHSS services. Statewide the program serves 430,000 California residents. The majority of recipients are aged, over 65 years of age. On average there are approximately 5,000 providers in our community and approximately 70% of the providers are related to their recipient. Statewide approximately 67% of the providers are relatives of the recipients for whom they provide care. Since Fiscal Year 2003-2004 the program has seen steady growth at the rate of about 5.2% a year on average.

In Fiscal Year 2009-2010 the California IHSS Program wages and benefits total costs were approximately \$5 billion and \$58,318,436 in Stanislaus County with a local share of \$8,171,929. It is estimated in Fiscal Year 2010-2011 the Stanislaus County IHSS Program total costs will be \$59,948,405 with a local share of \$8,563,495 which requires \$3,376,449 County General Fund.

IHSS Program Integrity Pilot

Community Services Agency (CSA) strongly values program and agency integrity. This value is incorporated within procedures and protocols in all case management programs which includes the In-Home Supportive Services (IHSS) program. In addition, CSA has a dedicated Special Investigations Unit (SIU) comprised of staff trained to investigate public assistance fraud, including IHSS fraud. Effective in 2004,

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as a result of Welfare and Institutions Code (WIC) 12305.82, the SIU and County were precluded from completing IHSS investigations and this responsibility was transferred to the State. Unfortunately, caseworker referrals of fraud were not effectively handled at the Statewide level leading the Governor and the State Department of Health Care Services (DHCS) to propose a new collaborative approach during Fiscal Year 2009-2010.

On October 6, 2009 the Board of Supervisors referred to the Community Services Agency (CSA) a letter from the California Department of Social Services (CDSS) dated September 25, 2009. The letter notified counties of funding for fraud investigation and program integrity efforts related to the In-Home Supportive Services (IHSS) program pursuant to the California State Budget Act of 2009. On November 24, 2009 the Board of Supervisors approved the Community Services Agency Plan for Fraud Investigations and Program Integrity Efforts as a pilot program through June 30, 2010. On May 4, 2010, as part of the Third Quarter Financial Report for Fiscal Year 2009-2010, the Board of Supervisors approved the roll-forward of program savings and continued the IHSS Fraud Investigation and Program Integrity Efforts through the first quarter of Fiscal Year 2010-2011. The Agency committed to return to the Board of Supervisors in August 2010 to highlight the pilot results and make a recommendation as to the closeout or extension of the pilot based on Fraud Findings and a Return on Investment (ROI) Report.

Fraud Referrals and Findings

CSA is operating a robust early fraud detection pilot program to identify, deter and prevent fraud in the early stages of the IHSS program. Fraud exists when a recipient or provider intentionally misrepresent facts in order to receive benefits or services he/she is not entitled to receive.

The Special Investigation Unit (SIU) role has been developed to augment the controls in place within the Adult Service Division in which Social Workers accept applications, determine eligibility and assess customer need for authorization of IHSS services. Social Workers diligently apply program regulations to ensure customers who truly need services receive them. As part of the eligibility process, IHSS Social Workers demonstrate benchmark results which include a 50% denial rate on applications received and average monthly authorized hours per case of 75.9 versus the Statewide average of 87.5. A backlog of fraud referrals made by IHSS Social Workers to the State has now been addressed locally within the Agency and overall IHSS program integrity is improving. Agency efforts include random field and targeted desk reviews for quality assurance; responding to provider and recipient death match and State error rate reports; 100% case review by IHSS Social Worker supervisors; mandatory provider orientations; and fraud referrals to SIU by Social Workers who suspect fraud.

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The SIU works with IHSS caseworkers in the Adult Services division to provide training on how to detect and prevent fraud during the application process. When fraud is suspected, the Social Workers refer the case to SIU and an investigation is opened. The SIU Investigators conduct unannounced field visits and other investigative activities to determine if the facts reported on the case are correct. When the investigators determine there is inconsistent information, further investigation is conducted to determine if there is fraud. The investigations include both relative and non-relative providers as well as recipients.

During the course of the IHSS Pilot, which covers the six month period of January to June of 2010, the SIU quickly discovered that conducting IHSS fraud investigations takes significantly more time than conducting other types of public assistance fraud investigations, due to the level of detail required to prove a persons ability or inability to care for her or himself. As a result, the SIU was not able to complete 100 investigations per month, as originally planned.

Total investigations were opened on 478 cases, of which 187 have been completed. Of the 187 completed investigations, 142 were determined a fraud finding which represents 2.3% of the 6,241 open cases. Types of fraudulent activities found during the investigations include:

- Complete exaggeration of disabilities
- Partial exaggeration of disabilities
- Misrepresentation of household composition
- Over property or over income

Of the 187 investigations completed, outcomes analysis reflects: 76% were incidence of fraud; of those, 82% included fraud by both the provider and the recipient. As a result, 49% of investigated cases were terminated from the program and 22% of the investigated cases received a reduced service level. The Agency is currently preparing the first 2 cases to refer to the District Attorney to evaluate for prosecution. The return on investment is substantial. The total cost avoidance calculated over twelve months, as per the State approved standard is \$722,778, of which the County share is \$97,792. In addition, \$143,000 in overpayments have been identified and referred to Collections.

Extension of Pilot Program

On July 20, 2010, the Board of Supervisors referred to the Community Services Agency (CSA) a letter from the California Department of Social Services (CDSS) dated July 2, 2010. The letter solicits County proposals for IHSS program integrity activities through June 30, 2011. If Stanislaus County chooses to continue the program, the Agency must submit a plan and receive CDSS approval. A plan is due to CDSS before the September 1, 2010 deadline. The plan, and the budget for implementation, must be approved by the County Board of Supervisors.

Approval of the Community Services Agency Fiscal Year 2010-2011 Plan for Fraud Investigations and Program Integrity Efforts for the In-Home Supportive Services Program
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The Agency developed the attached In-Home Supportive Services Program Integrity Efforts Plan and requests Board of Supervisors approval and signature on the attached "Enclosure B". CSA proposes to continue the program in an enhanced design through Fiscal Year 2010-2011. Lessons learned during the pilot phase have led to very effective investigations and up-front partnering with IHSS Social Work staff. CSA anticipates continued positive ROI as a result of the IHSS Program Integrity Efforts program.

At this time, the Agency recommends extension of the Fraud Investigations and Program Integrity Efforts for IHSS program through Fiscal Year 2010-2011.

POLICY ISSUES:

Approval of the Community Services Agency In-Home Supportive Services Program Integrity Efforts Plan 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 program integrity and generates a positive return on investment to save County money.

STAFFING ISSUES:

Community Services Agency will continue existing program staff to support the Fraud Investigations and Program Integrity efforts for the In-Home Supportive Services Program, in alignment with the 2010-2011 Plan.

CONTACT PERSON:

Christine C. Applegate, Director 558-2500

Enclosure B

**COUNTY RESPONSE COVER PAGE
MUST BE FULLY COMPLETED AND SUBMITTED WITH PLAN AND DATA**

Stanislaus County is requesting participation in the IHSS Fraud Prevention Program and will submit a Plan and data as described above, by September 1, 2010.

Board of Supervisors Approval

Approved on August 31, 2010, by the County Board of Supervisors

Name of Approver: Jeff Grover Title: Chairman

Signature 

Board of Supervisors

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

Telephone #: (209) 525-4494

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County Welfare Department

Name of Representative: Christine C. Applegate Title: Director

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County District Attorney Office

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**Stanislaus County
Community Services Agency
Plan for In-Home Supportive Services Program Integrity Efforts
August 5, 2010**

County's Current and Proposed Anti-Fraud Activities

The Stanislaus County Community Services Agency (SCCSA) has a strong commitment to program and agency integrity. Beginning in January 2010, the SCCSA, Special Investigations Unit (SIU), implemented a robust early fraud prevention and detection pilot program for In-Home Supportive Services (IHSS). This fraud investigations program focused on identifying cases with fraud and terminating the fraudulent cases from the program, rather than focusing on prosecutions. While there will likely be some prosecutions in the near future, the intent of this pilot was to identify and terminate as many fraudulent cases as possible to ensure only those who are truly eligible for the services are receiving the services. The results of this fraud pilot program were significant, and are attached in the "IHSS Fraud Pilot Executive Summary". For a six month period, 187 investigations were completed and of those 76% had fraud identified. Randomly pulled cases had a fraud rate of 62% and cases referred by social workers had a fraud rate of 79%. The 12-month cost-avoidance savings from this pilot totaled \$722,777.66, which is far more than the cost to implement the program. The total return on investment (ROI) was \$2.43 for every dollar spent. At the county-share level, the total ROI was \$2.19 for every county dollar spent. SCCSA is requesting continued funding for this program based on the significant return on investment.

The SCCSA is requesting continued approval and funding of these anti-fraud efforts, as the results have clearly shown the efforts are necessary and cost-effective. The plan for the upcoming year will be to continue with the same activities as the previous year. Those activities include sworn peace-officers and non-sworn investigative assistant staff at SCCSA SIU conducting investigations on both randomly pulled cases as well as all cases referred by social workers. The SCCSA SIU also has a local hotline that allows citizens to make complaints that are reviewed for possible investigation. The SIU has and will continue to provide ongoing education and training on fraud prevention and detection to the IHSS social workers as well as the local community. These activities are still currently ongoing pending budget approval. The timeline for implementing these activities is not relevant as the activities are currently ongoing.

County Proposed Budget for Utilization of Funds

The proposed funding available will be utilized by the SCCSA SIU as follows:

• 1 FTE Special Investigator	\$94,476
• .7 FTE Extra Help Special Investigator	\$66,133
• .6 FTE Special Investigator Supervisor	\$56,686
• 1 Contracted Investigative Assistant	\$34,332

• 1 FTE Fraud Technician	\$46,200
• Operating Expenses / Operating Support for Caseworkers	\$119,512
• Background Checks / Personnel & Equipment Costs	<u>\$ 3,712</u>
	\$421,051

The SCCSA is recommending continuing with the extra-help and contract staff mentioned above, rather than recruiting permanent employees due to the uncertainty of the sustainability of the funding. Should it become clear that the funding is stable for multiple years, and the program has proven to be successful, a recruitment for regular full-time staff will be conducted.

Collaboration and Partnerships with the District Attorney's Office

SCCSA partners with the Stanislaus County District Attorney's Office (DAO) for prosecution of those who commit public assistance fraud. A contract is already in place between SCCSA and the DAO for handling other types of public assistance fraud cases. This has been a successful partnership that resulted in 57 criminal convictions for public assistance fraud in other programs in FY 09/10. Although prosecution funding is not an allowable use of the IHSS Anti-Fraud allocation, the DAO still accepts any referrals from the SIU for IHSS fraud.

All public assistance fraud investigations are handled by the SCCSA SIU in Stanislaus County. The DAO will provide any support needed for the investigations, but support is not generally needed as the SIU investigative staff includes well-trained investigators who are extremely familiar with fraud in social service programs. The DAO fully supports this fraud program and the plan submitted by SCCSA.

Fraud Referrals/Outcomes

In January and February of 2010, the SCCSA SIU hired three additional Special Investigators, one Fraud Technician, and one part-time Accountant for the IHSS fraud program. The investigative staff was hired to investigate referrals for suspected fraud submitted by IHSS caseworkers, as well as to conduct early fraud prevention/detection interviews, surveillance and home visits on a random sampling of intake cases. The Accountant was hired for statistical tracking, budgetary accounting, and return on investment research and reporting to determine the effectiveness of the program. The referrals and outcomes were submitted and tracked electronically in the C-IV automated welfare system, and through a separate database maintained by the Accountant. The results of these activities are shown on the two attached reports, the "IHSS Fraud Pilot Executive Summary" and the "IHSS Fraud Investigation Statistics" report.

Enclosure D has been included, as requested; however, it should be noted that Enclosure D has a heavy focus on reporting criminal conviction information, and the focus of the SCCSA's fraud program is on early fraud cost-avoidance, not prosecutions. SCCSA feels strongly that eliminating as many fraudulent recipients and providers from the program as possible, with the investigative resources available, is the most cost-effective way to pursue fraud in the IHSS program. While prosecutions are necessary and

important in holding people accountable for their actions, they are also expensive and time-consuming for both the investigative staff as well as the DAO, who are all experiencing reduced staffing due to budgetary constraints. The most egregious cases will be referred for prosecution; however the SCCSA plans to continue the cost-avoidance model for IHSS fraud.

IHSS Overpayments/Underpayments

Upon implementation of the fraud program in January, SCCSA received permission from the Department of Health Care Services (DHCS) Investigations Division, to pursue all IHSS fraud cases in Stanislaus County at the local level, regardless of the overpayment amount. (Pursuant to WIC 12305.82(c) those potential overpayments that exceed \$500 should be referred to the Department of Health Care Services). Through June, fraud overpayments for IHSS totaled \$143,158.65. In addition, many of the cases investigated are still pending further investigation and completion and will likely result in further overpayments. No underpayments were identified.

Collaboration and Partnerships with the California Department of Health Care Services (DHCS) and the California Department of Social Services (CDSS)

SCCSA currently has an electronic database that tracks all referrals made to DHCS and the outcomes associated with each referral. This will continue to be tracked and reported out to CDSS upon request and as required. However, as stated earlier, the DHCS has provided permission and authority for Stanislaus County to fully investigate all IHSS fraud at the local level; therefore no referrals are currently being sent to the DHCS. SCCSA staff has been working with the DHCS investigator assigned to this region on joint investigations, information sharing, and overlapping cases when appropriate.

Mechanism for Tracking/Reporting

SCCSA has tracked and will continue to track and report referrals and outcomes to CDSS as requested and annually as required. The mechanism used for tracking and reporting is the automated C-IV system, the electronic database, and manual tracking as needed by the Accountant. The two County reports attached to this plan are reports that are generated from the tracking mechanisms currently in place.

Annual Outcomes Report

SCCSA has attached two annual outcomes reports.

**IHSS FRAUD PILOT
ANALYSIS FOR THE PERIOD OF JANUARY THROUGH JUNE 2010
EXECUTIVE SUMMARY**

- The IHSS Fraud Program is for fraud investigations and program integrity efforts where the definition of fraud is: *Fraud exists when a recipient or provider intentionally misrepresents facts in order to receive benefits or services he/she is not entitled to receive.*
- Total investigations opened through June 2010 quarter were 478 of which 187 investigations were completed.
- Fraud was found in 62% of random cases investigated and 79% of referred cases.
- Total cases able to be investigated where fraud was found represent just over 2% of total existing IHSS Authorized cases.
- ROI of \$2.19 is generated for every county dollar spent (assumes a 12 month cost avoidance).
- In addition to the ROI calculation, \$143,000 has been identified in overpayments and referred to collections.
- From the 187 investigations completed:

Incidence of Fraud

- ✓ 76% had fraud identified
- ✓ 10% had insufficient evidence
- ✓ 14% had no fraud.

Type of Fraud

- ✓ 82% of fraud was by both the provider and recipient.
- ✓ 7% of fraud was by the provider.
- ✓ 11% of fraud was by the recipient.

Program Outcome

- ✓ 49% were terminated from the program.
- ✓ 22% were reduced in service levels.
- ✓ 26% had no financial service impact.
- ✓ 2% terminated/denied provider only.
- ✓ 1% case was denied.

IHSS Fraud Investigation Statistics

REFERRALS

Referrals from 01.01.09 to 6.30.2010

Total Referrals: 478

ALL REFERRAL SOURCES

Completed Investigations from 01.01.09 to 6.30.2010

Total Referrals: 187 Fraud Found: 142 Total Savings: \$722,777.66
Completed Cases: 187 Insufficient Evidence: 19 Total Overpayments: \$143,158.65
No Fraud: 26

<u>Fraud Type</u>	<u>Count</u>	<u>Program Outcome</u>	<u>Count</u>	<u>Fraud By</u>	<u>Count</u>
Entirely Overstated Disability	76	Denied Case	2	Both	117
Failed to Provide Services	21	No Financial Impact	49	Provider	10
Forged Documents	4	Reduced Case	41	Recipient	15
Household Composition	26	Terminated Case	91		
Over Income	1	Terminated/Denied Provider Only	4		
Partly Overstated Disability	30				

RANDOM REFERRAL SOURCES

Completed Investigations from 01.01.09 to 6.30.2010

Total Referrals: 37 Fraud Found: 23 Total Savings: \$100,245.84
Completed Cases: 37 Insufficient Evidence: 1 Total Overpayments: \$0.00
No Fraud: 13

<u>Fraud Type</u>	<u>Count</u>	<u>Program Outcome</u>	<u>Count</u>	<u>Fraud By</u>	<u>Count</u>
Entirely Overstated Disability	12	Denied Case	1	Both	19
Failed to Provide Services	4	No Financial Impact	15	Provider	1
Household Composition	1	Reduced Case	8	Recipient	3
Partly Overstated Disability	8	Terminated Case	13		

NON RANDOM REFERRAL SOURCES

Completed Investigations from 01.01.09 to 6.30.2010

Total Referrals: 150 Fraud Found: 119 Total Savings: \$622,531.82
Completed Cases: 150 Insufficient Evidence: 18 Total Overpayments: \$143,158.65
No Fraud: 13

<u>Fraud Type</u>	<u>Count</u>	<u>Program Outcome</u>	<u>Count</u>	<u>Fraud By</u>	<u>Count</u>
Entirely Overstated Disability	64	Denied Case	1	Both	98
Failed to Provide Services	17	No Financial Impact	34	Provider	9
Forged Documents	4	Reduced Case	33	Recipient	12
Household Composition	25	Terminated Case	78		
Over Income	1	Terminated/Denied Provider Only	4		
Partly Overstated Disability	22				

Enclosure D

County: Stanislaus

Overpayments identified by County SIU		04/05	05/06	06/07	07/08	08/09	09/10
Total Amount per Fiscal Year:						\$143,159	
Number of Instances:							22
Breakdown of Causes	Provider:						3
	Recipient:						2
	County Error:						0
	Unknown:						0
	Other:						17
BOTH PROVIDER & RECIPIENT							

Underpayments identified by County SIU		04/05	05/06	06/07	07/08	08/09	09/10
Total Amount per Fiscal Year:							0
Number of Instances:							0
Breakdown of Causes	Provider:						0
	Recipient:						0
	County Error:						0
	Unknown:						0
	Other:						0

Fraud Referrals/Outcomes		04/05	05/06	06/07	07/08	08/09	09/10
Number of referrals to DHCS:							0
Number handled locally:							478
Number of convictions:							0
Amount of funds involved in the convictions:							0

Enclosure D
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Fraud Referrals/Outcomes to DA		04/05	05/06	06/07	07/08	08/09	09/10
Amount of funds recovered:							0
							0
Amount of funds pending recovery:							0
Basis for the Conviction:							0
Individuals Responsible	Recipient:						0
	Provider:						0
	County Staff:						0
	Other:						0
	Unknown:						0

Utilization of County DA for Fraud		04/05	05/06	06/07	07/08	08/09	09/10
Number of referrals to DA							0
Outcomes	Rejected:						0
	Convicted:						0
	Acquitted:						0
	Pending:						0

Notes:

1. Please see attached reports for cost-avoidance savings. Our program focused on early fraud cost-avoidance, not prosecutions.
2. 04/05 to 08/09 data was provided in last year's submission.

Budget Justification

Stanislaus County's Fraud Funding Plan for FY 20010-11

Budget Section	Total
A. Personnel Costs (includes employee benefits)	\$ 297,827
B. Operating Expenses	\$ 119,512
C. Equipment Expenses	\$ 0
D. Travel/Per Diem and Training	\$ 0
E. Subcontracts and Consultants	\$ 0
F. Other Costs	\$ 3,712
G. Indirect Expenses	\$ 0
Total Expenses	\$ 421,051

A. Personnel Costs (including employee benefits)	Total Budget
<p>Title: Special Investigator I/II</p> <p>Salary Calculation: Average monthly Salary for a fraud investigator 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>	\$ 94,476
<p>Title: Special Investigator I/II (Extra Help or Personal Services Contractor)</p> <p>Salary Calculation: Average Monthly Salary for a fraud investigator at .7 of an FTE x 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>	\$ 66,133
<p>Title: Special Investigator III</p> <p>Salary Calculation: Average Monthly Salary for a fraud investigator at .6 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>	\$ 56,686
<p>Title: Investigative Assistant (Personal Services Contractor/Extra Help)</p> <p>Salary Calculation: Monthly Salary for .7 FTE 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, as well as assisting with review of position statements for hearings and reviewing information for overpayments of IHSS.</p>	\$ 34,332

Title: Fraud Technician Salary Calculation: Monthly Salary for 12 months 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.	\$ 46,200
Total Personnel Costs:	\$297,827

B. Operating Expenses	Total Budget
Title: Operating Support Costs (55% on casework salaries) Description: Operating Support Costs includes operating expenses such as space, utilities, office supplies, postage, 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.	\$ 119,512
Title: Description:	\$ 0
Title: Description:	\$ 0
Total Operating Expenses:	\$119,512

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

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

F. Other Costs	Total Budget
Title: Background Checks//Personnel & Equipment Costs	\$ 3,712
Description: Contract with Sheriff's office to provide mandated law enforcement background investigations if needed and/or incidents of personnel and equipment costs.	
Title:	\$ 0
Description:	
Title:	\$ 0
Description:	
Title:	\$ 0
Description:	
Title:	\$ 0
Description:	

Total Other Costs:		\$ 3,712
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G. Indirect Expenses		Total Budget
Title:		\$ 0
Description:		
Title:		\$ 0
Description:		
Total Indirect Expenses:		\$ 0

ROTHNER, SEGALL & GREENSTONE
ATTORNEYS

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August 24, 2010

VIA E-MAIL AND CERTIFIED MAIL

Jeff Grover
Chair, Stanislaus County Board of Supervisors
1010 Tenth Street, Suite 6500
Modesto, CA 95354

Re: IHSS Special Investigation Unit Pilot Program

Dear Mr. Grover:

Our office represents United Domestic Workers of America, AFSCME Local 3930, AFL-CIO (UDW), the exclusive bargaining representative of providers employed under the Stanislaus County In-Home Supportive Services (IHSS) program. We understand that the County has recently created an IHSS Special Investigation Unit pilot program. Although UDW supports the County's effort to eliminate fraud from the IHSS program, the Union questions the County's right to implement such a program in the absence of explicit statutory authority. Moreover, as the exclusive bargaining representative of IHSS providers in Stanislaus County, UDW has the right to bargain with the County over the implementation of the proposed Special Investigation Unit and over its impact on IHSS providers.

Accordingly, this letter will serve as a formal demand under the Meyers-Milias-Brown Act ("MMBA"), Government Code § 3500 *et seq.*, and pursuant to Article 1 of the parties' Memorandum of Understanding (MOU), that the County meet and confer over the implementation of the proposed Special Investigation Unit and its impact on providers represented by UDW. Furthermore, UDW demands that the County refrain from the implementation of the Special Investigation Unit pilot program until the meet and confer process has been concluded.

Based on our current understanding of the facts, UDW believes that the implementation of the Special Investigation Unit violates Article 1 of the MOU. In light of the time limitations in the MOU (*see* Art. 13) and in an abundance of caution, we request that this letter be deemed a formal written grievance pursuant to Article 13. We recognize that, both as a legal and practical matter, this grievance may be premature. Although the Special Investigation Unit is supposed to be a pilot program, the County has already implemented significant aspects of the program.

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BOARD OF SUPERVISORS

Jeff Grover
August 24, 2010

Nevertheless, because both the facts and legal theories underlying the grievance may change as a result of the County's responses to the information requests and the parties' meet and confer efforts, UDW proposes that the grievance be held in abeyance while those other processes run their course.

Finally, in order to understand the basis for the County's creation of the Special Investigation Unit and to facilitate a meaningful meet and confer process, UDW requests the following information necessary and relevant to its obligations as exclusive representative of the Stanislaus IHSS providers:

1. The statutory authority relied upon by Stanislaus County in creating the proposed Special Investigation Unit.
2. All documents or information reflecting the policies, protocols, and procedures the County has established for the operation of the Special Investigation Unit pilot program.
3. All documents or information submitted to the California Department of Social Services ("DSS") comprising the Stanislaus County plan for fraud prevention activities, including, but not limited to, the County's proposed anti-fraud activities, proposed budget for utilization of funds, plan for collaboration and partnership with the District Attorney's Office, County data for fraud referrals and outcomes, plan for reduction of underpayments/overpayments, plan for referrals to the Department of Health Care Services and DSS, and plan for tracking and reporting outcomes to DSS.
4. All correspondence or communications between the County or the Public Authority and the DSS regarding the proposed Special Investigation Unit.
5. All documents or information reflecting funding received by or available to the County as a result of the implementation of the Special Investigation Unit.
6. The statutory authority the County relies upon to support its policy that social workers utilize information gathered by the Special Investigation Unit to reduce recipients' hours or otherwise penalize providers without conducting any independent needs reassessment.
7. All documents or information reflecting the processes and protocols the County has established for home visits conducted by Special Investigation Unit staff, including, but not limited to, information describing how cases are selected for home visits, the procedures or guidelines Special Investigation Unit staff follow on such visits, the reporting mechanism after such a visit, and information about

Jeff Grover
August 24, 2010

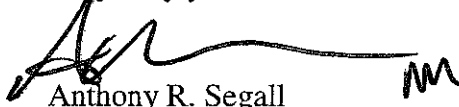
whether Special Investigation Unit staff who conduct home visits wear uniforms or carry identification or weapons.

8. All documents or information reflecting the duration of the pilot program.
9. All documents or information reflecting the amount of County funding being allocated to operate the pilot program.
10. All documents or information reflecting the amount of funds the County has projected in savings from uncovering fraudulent activity in the IHSS program.
11. Copies of the Public Authority's budget for the current and immediate past fiscal years.
12. All documents or information reflecting, analyzing or discussing the potential effect of the pilot program on the availability of IHSS services in Stanislaus County.

You should consider the foregoing to be a formal request for information pursuant to the meet and confer provisions of the Meyers-Milius-Brown Act ("MMBA"), Government Code § 3500 *et seq.*, as well as the California Public Records Act, Government Code § 6250 *et seq.* In the latter connection, the time limits under § 6256 shall apply.

This letter is not intended to be a comprehensive statement of UDW's rights and remedies with respect to the proposed Special Investigation Unit, all of which are expressly reserved. We look forward to your prompt response.

Very truly yours,



Anthony R. Segall

cc: Doug Moore, Executive Director, UDW
Jovan Agee, Political and Legislative Director, UDW
Supervisor Dick Monteith, Vice-Chairman
Supervisor William O'Brien
Supervisor Vito Chiesa
Supervisor Jim DeMartini

B-14 Rec'd at
305 meeting
8/31/2010

**CALIFORNIA DEPARTMENT OF SOCIAL SERVICES
DEPARTMENT OF HEALTH CARE SERVICES**

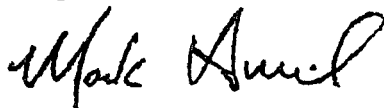
Hearing No.

In the Matter of Claimant(s):

Turlock, CA 95382

DECISION

Pursuant to the authority of the Director,
I adopt the attached final decision.



Mark Hammond
Administrative Law Judge

Adopt Date: August 4, 2010

State Hearing Record

Hearing Date:	July 29, 2010	Release Date:	August 4, 2010
Aid Pending:	No	Issue Codes:	[560-1; 566-1]
Agency:	Stanislaus County	Agency Representative:	
Agency:		Agency Representative:	
Authorized Rep. Organization:		Authorized Rep:	
SSN:		SSN:	
AKA:		AKA:	
Case Name:		Language:	Assyrian
LA District/Case:		Companion Case:	

Appeal Rights

You may ask for a rehearing of this decision by mailing a written request to the Rehearing Unit, 744 P Street, MS 19-37, Sacramento, CA 95814 within 30 days after you receive this decision. This time limit may be extended up to 180 days only upon a showing of good cause. In your rehearing request, state the date you received this decision and why a rehearing should be granted. If you want to present additional evidence, describe the additional evidence and explain why it was not introduced before and how it would change the decision. You may contact Legal Services for assistance.

You may ask for judicial review of this decision by filing a petition in Superior Court under Code of Civil Procedure §1094.5 within one year after you receive this decision. You may file this petition without asking for a rehearing. No filing fees are required. You may be entitled to reasonable attorney's fees and costs if the Court renders a final decision in your favor. You may contact Legal Services for assistance.

This decision is protected by the confidentiality provisions of Welfare and Institutions Code §10850.

SUMMARY

Information in a fraud investigation report, by itself and without any further attempt by Stanislaus County to assess the claimant's need for In-Home Services under the Personal Care Services Program (generically "IHSS"), does not constitute sufficient evidence upon which the county could assess that the claimant had no need for IHSS. The county's action to terminate the claimant's IHSS on the ground that she has no assessed need for IHSS, based solely on the social worker's review of the fraud investigation report, therefore is not sustained. [560-1; 566-1]

FACTS

The claimant is a 73 year-old woman. In February 2009, the county conducted a needs assessment and determined that the claimant required 49.3 hours per month of IHSS assistance in order to safely remain in her home, in the areas of domestic services, related services, ambulation, bathing, and medical accompaniment.

In January 2010, a county social worker (SW) made a home visit to conduct an annual renewal assessment of the claimant's IHSS needs. According to SW, the claimant remained seated for the entire assessment and stated there had been no changes in her condition. Based on her assessment of the claimant, the SW determined the claimant continued to have a need for 49.3 hours per month of IHSS.

On April 22, 2010, a county special investigator (SI) went to the claimant's home to investigate allegations that the claimant was involved in IHSS fraud. The SI, who also has a Masters Degree in social work and medically-related social worker experience, questioned and observed the claimant.

On April 27, 2010, the SI sent the SW a one page memo containing details of her fraud investigation visit to the claimant's home. In the memo, the SI stated the claimant was alone in her home at the time of the fraud investigation. The SI stated in her report that she observed the claimant ambulate with no assistance, limp, or difficulty, including on uneven surfaces, and that the claimant had full movement of her arms, neck, and head. The SI wrote in her report that the claimant stated that: she cooks for herself three to four times a week; she drives but does not like to drive long distance; she can make herself breakfast and lunch every day; she cannot do laundry due to leg pain; and she needs assistance with bathing and house cleaning. The SI stated in her report that she interviewed the claimant for approximately 20 minutes and the claimant stood the entire time.

The SI wrote in her memo that the claimant's IHSS care provider stated she does not bathe the claimant but only waits outside the bathroom for her. The SI wrote that the care provider stated she cleans the claimant's home, does the dishes, makes lunch for the claimant two to three times a week, which the claimant also eats for dinner, and drives the claimant to and from her doctor's appointments. The SI recommended in the memo that the SW terminate the claimant's IHSS.

The SW reviewed the memo and determined that the information in the memo established that the claimant was capable of managing her own needs without assistance and therefore no longer had any assessed need for IHSS. On April 28, 2010, the SW sent the claimant a Notice

of Action stating the county was terminating her IHSS effective May 15, 2010 on the ground she had no assessed need for IHSS and could safely remain in her home without IHSS assistance.

The claimant requested a state hearing to challenge the county's action to terminate her IHSS. In her hearing request, the claimant stated she needed the minimal assistance that the SW had approved in January 2010, and that it was difficult for her to be and feel safe in her home without this assistance. At the state hearing, the claimant stated she requires IHSS due to numerous ailments, including arthritis, back and leg pain, diabetes, high cholesterol, and vision impairment in her left eye.

Official notice is taken of the record and decision in state hearing case number which was heard on the same day as this case and which involves facts similar to this case. In that case, the county's evidence at the state hearing indicated that the SI's fraud investigation was part of a county "pilot program." According to the SI, the county District Attorney's office does not have the resources to prosecute IHSS fraud. The county therefore has initiated surprise home investigations in order to terminate suspect IHSS cases on the ground there is no assessed need, rather than to prosecute such cases for fraud.

LAW

All the regulations cited refer to the California Department of Social Services' Manual of Policies and Procedures (MPP), unless otherwise noted.

The Administrative Law Judge shall take official notice of those matters which must be judicially noticed by a court under §451 of the Evidence Code. (§22-050.41.) The Judge may take official notice of those matters set forth in §451(f) and §452 of the Evidence Code and technical facts relating to the administration of public social services. Generally, Evidence Code §451(f) provides that official notice may be taken of facts and propositions that are not reasonably subject to dispute because they are universally known. Generally, Evidence Code §452 provides that official notice may be taken of the decisional and statutory laws of other states, regulations and legislative enactments, legislative acts, court records, and facts and propositions not reasonably subject to dispute and capable of immediate and accurate determination. (§§22-050.42, 22-050.43.)

The county has the burden of going forward in the state hearing to support its determination. (§22-073.36.)

The In-Home Supportive Services (IHSS) Program provides assistance to those eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. IHSS is an alternative to out-of-home care. (§30-700.1.)

There are now three programs providing in-home services: the IHSS Plus Waiver, PCSP, and IHSS Residual.

County services staff shall conduct a needs assessment of applicants and recipients of IHSS. In making this assessment, the services staff shall determine the total amount of hours per week needed for the various services set forth in the program content. (§30-763.2.)

Social services staff shall determine the need for IHSS services based on the recipient's physical/mental condition or living/social situation; the recipient's statement of need; the availability of medical information; and other information social services staff considers necessary and appropriate. (§30-761.)

Staff of the designated county department shall determine the recipient's level of ability and dependence upon verbal or physical assistance by another for each of the following functions:

- (a) Housework;
- (b) Laundry;
- (c) Shopping and errands;
- (d) Meal preparation and cleanup;
- (e) Mobility inside;
- (f) Bathing and grooming;
- (g) Dressing;
- (h) Bowel, bladder and menstrual;
- (i) Repositioning;
- (j) Eating;
- (k) Respiration;
- (l) Memory;
- (m) Orientation; and
- (n) Judgment.

This assessment shall evaluate the effect of the recipient's physical, cognitive and emotional impairment on functioning.

(§§30-756.1 & 30-756.2.)

In determining the recipient's need for IHSS, the recipient's ability to perform the tasks based on his/her functional index ranking shall be a contributing factor, but not the sole factor. Other factors could include the recipient's living environment, and/or the recipient's fluctuation in needs due to daily variances in the recipient's functional capacity (e.g., "good days" and "bad days"). (§30-757.1(a).)

Under section 30-761.2:

.21 Needs assessments are performed:

- .211 Prior to the authorization of IHSS services when an applicant is determined to be eligible, except in emergencies as provided in Section 30-759.8.
- .212 Prior to the end of the twelfth calendar month from the last face-to-face assessment except as provided in Sections 30-761.215 through .217.

- (a) If a reassessment is completed before the twelfth calendar month, the month for the next reassessment shall be adjusted to the 12-month requirement except as provided in Section 30-761.215 through .217.

Except for IHSS Plus Waiver cases, the county may opt to extend the time for a reassessment for up to six months beyond the regular 12-month period on a case-by-case. (§30-761.216.)

When the county has information indicating that the recipient's need for supportive services is expected to decrease in less than 12 months, the county may reassess the recipient's needs in less than 12 months since the last assessment. (§30-761.218.)

The county shall reassess the recipient's need for services:

- (a) Any time the recipient notifies the county of a need to adjust the service hours authorized due to a change in circumstances; or
- (b) When there is other pertinent information which indicates a change in circumstances affecting the recipient's need for supportive services.

(§30-761.219.)

The above regulations are consistent with state law that provides:

The county welfare department shall assess each recipient's continuing need for supportive services at varying intervals as necessary, but at least once every 12 months.

A county may reassess a recipient's need for services at a time interval of less than 12 months from a recipient's initial intake or last assessment if the county social worker has information indicating that the recipient's need for services is expected to decrease in less than 12 months.

A county shall assess a recipient's need for supportive services any time that the recipient notifies the county of a need to adjust the supportive services hours authorized, or when there are other indications or expectations of a change in circumstances affecting the recipient's need for supportive services.

(Welfare & Institutions Case, §12301.1, subdivisions (b), (c)(3), & (d).)

CONCLUSION

At the outset, it is noted that this is not an action to terminate the claimant's IHSS on the basis of fraud. The county has not referred the 73 year-old claimant for a fraud prosecution and does not in this action contend that her IHSS should be terminated due to fraud. Rather, the county seeks to terminate the claimant's IHSS based on the SW's determination that the claimant has no assessed need for IHSS and can safely remain in her home without IHSS services. As discussed below, the information relied upon by the SW, by itself and without further action, was insufficient to base a determination that the claimant had no assessed need for IHSS. The county's termination of the claimant's IHSS therefore cannot be sustained.

Under the regulations cited above, the county was required to conduct an assessment of the claimant's IHSS needs at least once every 12 months, based on factors such as her physical and mental condition, her living and social situation, her statement of need, the available

medical information, and other information relevant to her need for IHSS. The county satisfied this duty by conducting a renewal assessment of the claimant's IHSS needs in January 2010. Based primarily on the claimant's statements at the January 2010 reassessment, the SW determined that the claimant continued to have had an assessed need for 49.3 hours of IHSS per month in order to safely remain in her home.

The SI subsequently went to the claimant's home on April 22, 2010. That visit, however, was part of a fraud investigation. It was not undertaken for the purpose of conducting a needs assessment, as the annual needs assessment had been done just three months earlier by the SW. Indeed, it was the SW, not the SI, who was assigned by the county to conduct the claimant's IHSS needs assessment and make the determination of whether the claimant needed IHSS in order to safely remain in her home. Accordingly, while the SI made a recommendation that the claimant's IHSS be terminated based on her fraud investigation, it was the SW who ultimately made the determination that the claimant had no assessed IHSS needs and who initiated the county's April 28, 2010 action to terminate the claimant's IHSS.

The problem with the county's action to terminate the claimant's IHSS, and the reason why that action cannot be sustained, is that the SW's April 2010 determination that the claimant no longer had any need for IHSS was based entirely on her review of the one-page fraud investigation memo. While that memo certainly raised concerns, it was not by itself sufficient evidence upon which the SW could make her own assessment that the claimant had no need for IHSS. This is particularly true given the SW had personally conducted her own needs assessment of the claimant just three months earlier and made a determination that the claimant did in fact have a need for IHSS.

The Administrative Law Judge does not question that the information in the SI's memo is an accurate depiction of what the SI observed. The Administrative Law Judge also realizes that the information in the memo appears inconsistent with the information obtained by the SW at the January 2010 needs assessment. That inconsistency, however, while certainly a factor to consider, is not sufficient by itself to sustain a determination that the claimant no longer had an assessed need for IHSS. The SI was conducting a fraud investigation and not of a regulatory IHSS needs assessment of the claimant, and the information in her fraud investigation memo was not by itself and without more sufficient evidence upon which the SW could make her own assessment that the claimant had no need for assistance and could safely remain in her home without IHSS.

This is not to say that the county was without recourse to act on the information in the fraud investigation memo. Under the regulations cited above, the county was entitled to reassess the claimant's need for IHSS at time intervals of less than 12 months from the last assessment if the SW had information indicating a change in circumstances affecting the claimant's need for IHSS. The information in the SI's report is information that indicates a change in the claimant's IHSS needs, and therefore appears to be information that would allow the county to conduct another assessment of the claimant's need for IHSS less than 12 months from the SW's January 2010 reassessment.

Thus, the county could have conducted a new assessment of the claimant at which the SW could have personally observed and assessed the claimant in light of the information in the SI's memo. The SW thereby would have had the opportunity to not only question the claimant about the information in the SI's memo, but also to make her own determination of the apparent inconsistency between the information she obtained in January 2010 and the information relayed in the April 27, 2010 memo. Furthermore, the county could have requested and

reviewed medical information from the claimant's physician, which is contemplated under the regulations but inexplicably is missing from the record in this case.

However, without any further attempt by the SW to conduct her own reassessment of the claimant, the second hand information relayed in the fraud investigation memo was not sufficient evidence by itself upon which the SW could assess for herself that the claimant had no needs and could safely remain in her home without IHSS services.

Accordingly, while the information in the fraud investigation report appears to be information that would allow the county to conduct a new assessment of the claimant's IHSS needs just three months after the prior assessment that found the claimant had a need for IHSS, this evidence by itself does not constitute sufficient evidence upon which it can be determined that the claimant has no assessed need for IHSS. The county's action to terminate the claimant's IHSS based on this evidence therefore is not sustained.

ORDER

The claim is granted.

The county shall rescind its April 28, 2010 action to terminate the claimant's IHSS effective May 15, 2010, as the information contained in the fraud investigation memo does not by itself constitute sufficient evidence upon which it can be determined that the claimant has no assessed need for IHSS.



**Another "Success"
from SIU**

Open Letter to the Citizens of Stanislaus County:

For several months, uniformed agents from a Special Investigations Unit (SIU) created by our county have been conducting unannounced raids on homes; harassing and intimidating elderly, blind, and disabled citizens; and arbitrarily cutting people's homecare services.

Agents—some wearing bulletproof vests—have confronted people with walkers and in wheelchairs. Two reportedly demanded to see an elderly woman's underwear drawer. Two others forced an 85-year-old woman with severe arthritis to try to lift her arm over her head (she couldn't do it).

Several people were so traumatized by these raids that they were subsequently hospitalized.

To make matters worse, SIU agents have claimed that many of these people are guilty of "fraud" against the In Home Supportive Services (IHSS) program and have arbitrarily reduced their homecare services hours. Administrative law judges have already overturned some of these reductions because of lack of evidence or improper procedures. Many others are being appealed.

Despite this, the Stanislaus County Board of Supervisors wants to spend more taxpayer dollars on SIU because of its "success".

We think the supervisors should be ashamed of what is being done in our county's name by SIU. The threats, harassment and punitive actions by these agents are among the worst reported anywhere in California.

Any fraud in IHSS or any other public program is wrong and should be investigated and punished. But it is also true that people are presumed innocent until proven guilty—except, it seems, here in Stanislaus County.

Contact your county supervisor today.

District 1 – Supervisor O'Brien phone: 525-4440; email: obrienw@stancounty.com

District 2 – Supervisor Chiesa phone: 525-6440; email: vito.chiesa@stancounty.com

District 3 – Supervisor Grover phone: 525-6560; email: groverj@stancounty.com

District 4 – Supervisor Monteith phone: 525-4445; email: monteithd@stancounty.com

District 5 – Supervisor DeMartini phone: 525-4470; email: demartinij@stancounty.com

Tell him to stop this abuse of the elderly and disabled. Instead of supporting false accusations of fraud and condoning harassment and intimidation, he should be finding ways to improve the quality of care for all our citizens.


A Message from the IHSS Stanislaus County Homecare Providers and the People They Serve

Stanislaus County Community Services Agency Fraud Investigations and Program Integrity Efforts for the In Home Supportive Services (IHSS) Program





In Home Supportive Services (IHSS) Program in Stanislaus County



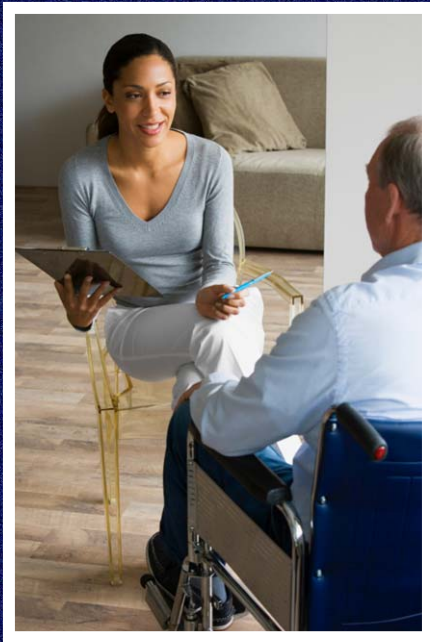
Purpose of the IHSS Program

(Welfare and Institutions Code 12300)



- *“...is to provide those supportive services identified in this section to aged, blind, disabled persons, as defined under this chapter, who are unable to perform the services themselves and who cannot safely remain in their homes ...unless these services are provided.”*
- *“...Supportive Services shall include domestic services, personal care services, accompaniment by a provider during necessary travel to health-related appointments, yard hazard abatement, protective supervision, teaching and demonstration, and paramedical services which make it possible for the recipient to establish and maintain an independent living arrangement.”*

Eligibility to the IHSS Program Services



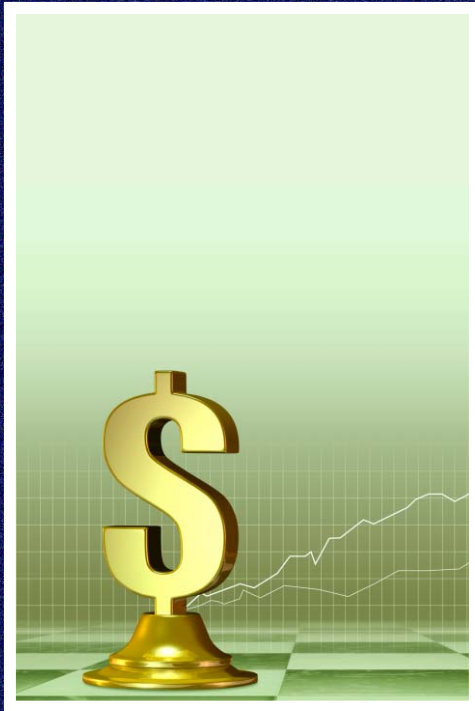
- A Recipient must be aged, blind or disabled and have an income at or below approx. \$845. a month, with no more than \$2,000 in assets per person, or \$3,000 in assets per couple (vehicles and homes are excluded)
- Assessment of Need: Social Workers assess need for services using a uniform assessment tool known as the Hourly Task Guideline (HTG) to rank the recipients impairment on a five point scale known as the Functional Index (FI).

Eligibility to the IHSS Program Services

- The most frail and severely disabled receive more hours, or have a higher FI score of 4 - 5, and the less impaired recipients receive hours of service at a lower rate, or have lower FI scores of 2 - 3.
- The statewide average hours for a case is 88 hours a month – we have a lower monthly average of 76 hours per month per case.
- Approximately 6200 recipients in Stanislaus County, approximately 4500 providers, and 70% of providers are relatives

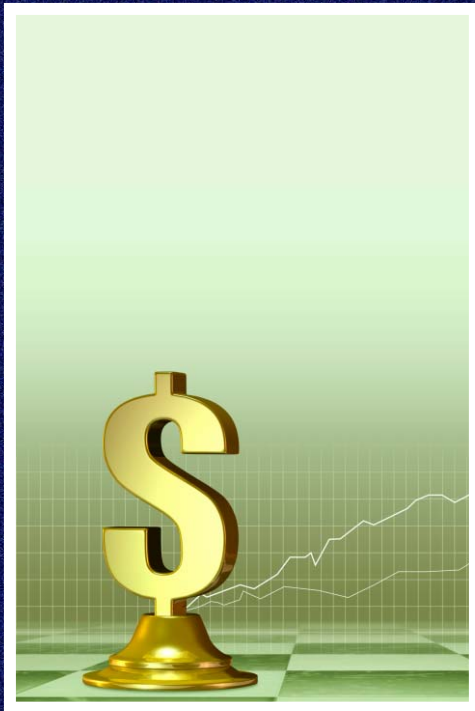


Fiscal Overview



- Historical Caseload Growth - Since FY 03/04 the program has seen steady growth at the rate of about 5.2% caseload growth a year.
- Projected Caseload Growth- 5.8% growth projected in FY 10-11 based on our actual most recent 3 year experience.
- Program cost has increased from a total of \$32 million in FY 03-04 to \$67.1 million projected in FY 12-13.

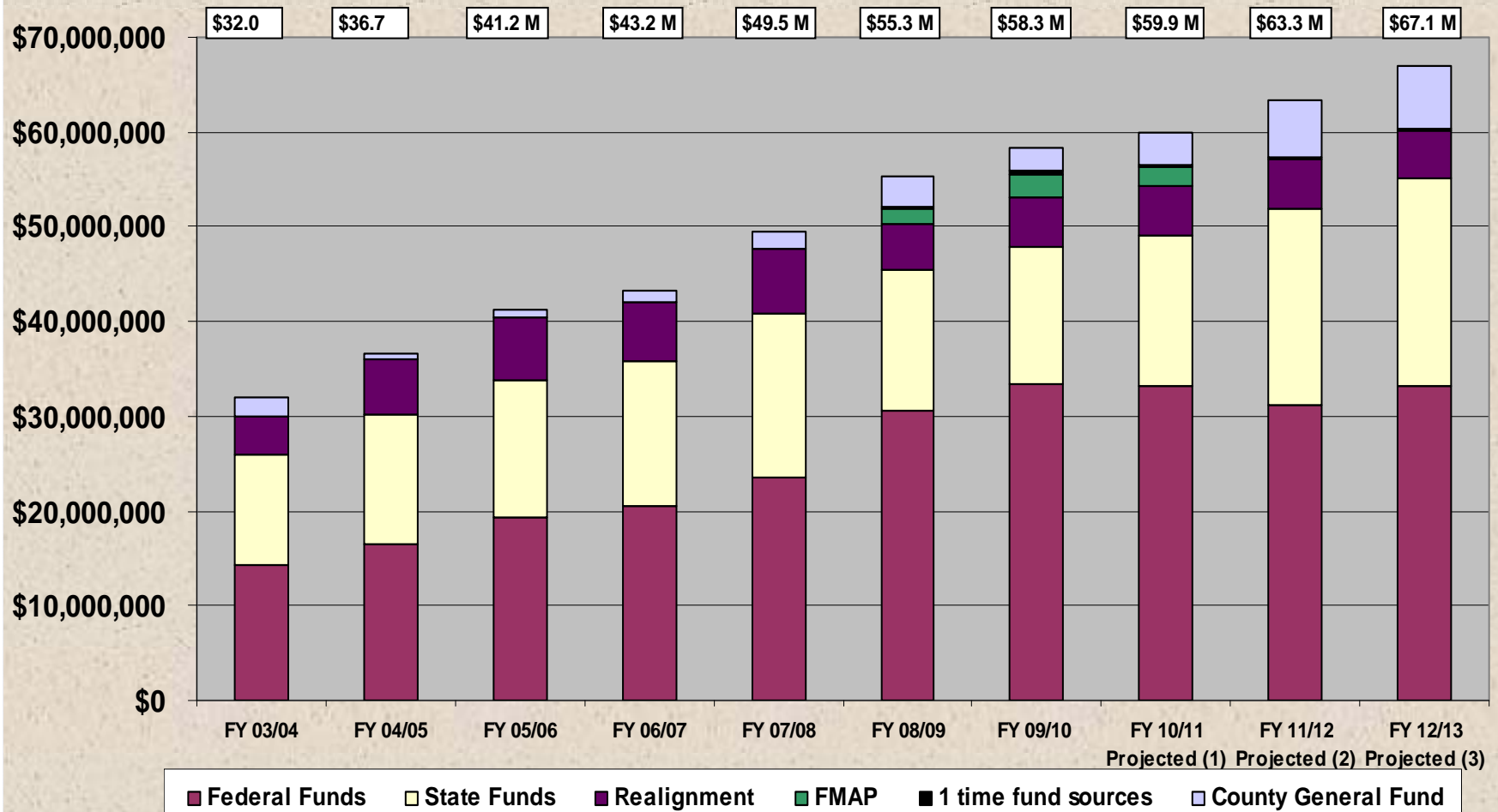
Fiscal Overview



- Sharing Ratio for Funding –
Except for the 2 years of additional federal funding from the stimulus package of FMAP, or Federal Medicaid Assistance Percentage in FY 09/10 and FY 10/11, the sharing in this program is normally 49.5% Federal, 32.8 % State and 17.7% County funding.

IHSS Wages and Benefits

County Share Fiscal Years 2003/2004 projected through 2012/2013 as of August 2010



IHSS Fraud Pilot Program

(State Budget Act FY 2009/2010)

- **Until 2004, the CSA Special Investigations Unit handled fraud referrals from IHSS along with the fraud referrals from CalWORKS Cash Assistance, Food Stamps, Child Care and General Assistance.**
- **In 2004, the state changed the authority for doing IHSS fraud investigations to only allow State Investigators to do fraud investigations.**
- **In FY 09-10 Counties were again given the option to submit plans to take responsibility for IHSS Fraud investigations at the County level.**



Facts about the IHSS Fraud Pilot

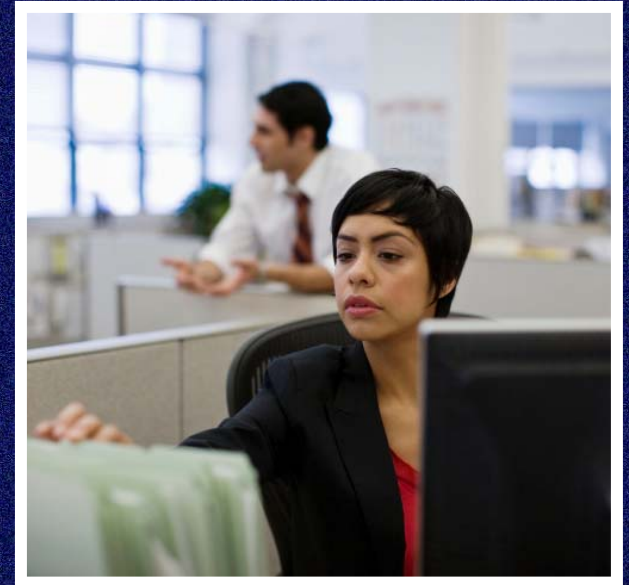
- IHSS Program Authority and approval stem from the State of California and the County Board of Supervisors
- The IHSS Fraud Pilot approved in November 2009 re-established the authority for the existing Special Investigations Unit to investigate IHSS fraud as we had done prior to 2004



Program Integrity

Total Program effort - Multiple checks and balances in the program throughout the case

- Social Workers use state approved Hourly Task Guidelines Assessment for consistency and fairness
- Social Worker Supervisors review all cases
- Re-assessments of cases are done annually or when a service need changes





In Home Supportive Services

**Fraud Prevention/
Program Integrity Efforts**



Program Integrity Efforts

- Quality assurance random field reviews
- Quality assurance targeted desk reviews
- Respond to provider and recipient death match report



Program Integrity Efforts

- Respond to hospital stay error report
- IHSS supervisors do 100% case review
- Provider Orientation – IHSS providers are required to watch the State video which covers fraud in depth.



Program Integrity Efforts

- **Thorough Assessments –**
For FY 09/10 Stanislaus County had a 50% denial rate for IHSS intakes.





IHSS FRAUD PILOT RESULTS

January through June 2010



Special Investigations Unit (SIU)

Mission Statement

The mission of the
Special Investigations Unit
is to enforce program and agency
integrity through awareness, detection
and prevention of fraud while promoting
personal accountability through
recovery and prosecution.

Special Investigations Unit (SIU)

- Sworn investigators and non-sworn support staff trained in investigations and IHSS program regulations
- Conducts unannounced home visits in a professional and respectful manner, wear plain clothes and carry a badge to identify themselves.
- Conducts follow-up investigations as needed



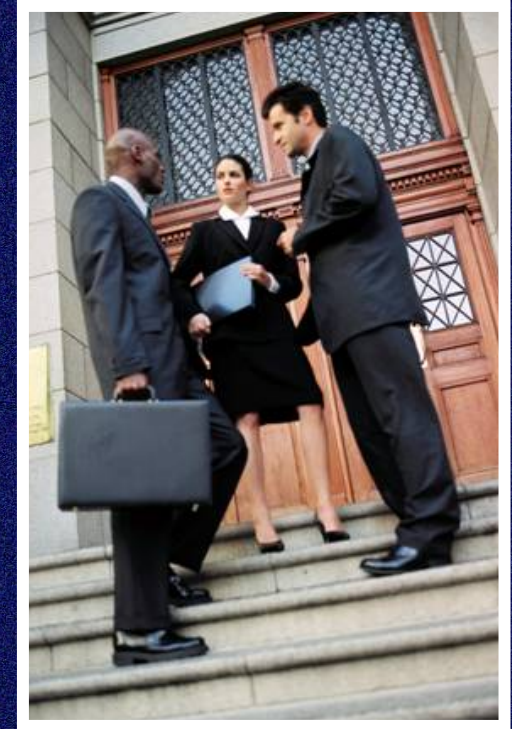
What is Fraud?



- *Fraud exists when a recipient or provider intentionally misrepresents facts in order to receive benefits or services he/she is not entitled to receive.*

Fraud Investigation Results

- 478 total investigations opened through June 2010
- 187 investigations completed
 - 37 random
 - 150 referred by Social Worker
- Completed investigations represent only 3.0% of the total 6,241 IHSS cases



Fraud Findings

- 79% fraud in cases (119) referred by social workers
- 62% fraud in cases (23) pulled randomly
- Completed investigations with fraud findings represent 2.3% of the total 6,241 IHSS cases



Who is Committing Fraud?

- 82% of cases identified as fraud were fraud committed by both the provider and the recipient



What Happens when Fraud is Identified?

- 49% of cases were terminated from program
- 22% of cases had benefits reduced
- 28% of cases had providers terminated for fraud, but there was no reduction in services to the recipient



What are the Most Common Types of Fraud?

- 54% Entirely overstated disability
- 21% Partly overstated disability
- 18% Misrepresented household composition
- 7% Other





Case Examples



Cost-Avoidance Savings



- **Total savings of \$722,778**
County share savings of \$97,792
- **Overpayments referred for collections of \$143,000**
- **Cost avoidance calculated over 12 months**

What is our County ROI?

- The total return on investment is \$2.43 for every dollar spent on the IHSS fraud program
- Stanislaus County's Return on Investment is \$2.19 for every local dollar spent on the IHSS fraud program

