

STATE OF ALASKA

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

OFFICE OF CHILDREN'S SERVICES

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<http://hss.state.ak.us/ocs/nutri/WIC/Default.htm>

Reply to: **All Local Agencies Memorandum No-06-23**

Date: July 20, 2006

TO: **X-LA WIC Coordinators**
X-Satellites

FROM: Kathleen Wayne
State WIC Program Manager

Information- X
Policy-X
Action-X

Routine (hard copy only) -
Urgent (fax and hard copy)-

SUBJECT: **New AKWIC Reports for Participant Fraud and Abuse**

It has been quite a while since the State WIC Office has sent information to LA's regarding voided warrants that were redeemed and need to be investigated for potential participant abuse. We are glad to be able to present you with the new Redeemed Void Warrant reports that were part of the latest AKWIC build. We will send you the Dual Participation reports in the very near future.

The 504 series of reports detect participation and redemption patterns that may indicate "extra" benefits were received by participants. The series includes:

- 504-A Dual Participation
- 504-B (Potential) Excess Benefits (based on FI Start Date)
- 504-C (Potential) Excess Benefits (based on FI Issue Date)
- 504-D Duplicate SSN
- 504-E Redeemed Void FIs
- 504-F Dual Participation by Name

The reports will be generated and reviewed by SA staff on either a monthly or quarterly basis, depending upon the report. The SA will follow-up as needed with LAs on suspected instances revealed by the reports. We will provide more detailed information about the individual reports in the series as we send them out.

Enclosed you will find the WIC 504-E, Redeemed Void FIs reports for your agency for January through May 2006. The 504-E report selects all participants (for a selected time period) who had at least one FI that was voided, but redeemed. For those participants, the report shows **all** FIs they were issued for that benefit period, with the redemption amount and date.

The report has been formatted so that you can easily see which food package(s) and warrant types were issued; for instance, if a client returned FIs to have new ones issued for a different food package, all of their FIs will show up in the report. It includes the FI issue date, start date, food package number and name, warrant type and serial number, paid date and amount (if redeemed,) and for FIs that were voided it shows the Void date and reason.

Some of the participants listed had reported warrants Lost or Stolen, then been issued replacement warrants and appear to have received “extra” benefits by redeeming more than one set of warrants during a month. In most of these cases, especially if it appears that participant noncompliance or abuse was involved, it is probably appropriate that a **WIC Improper Action Report** be completed to caution the participant that warrants that have been reported Lost or Stolen should not be used if they are later found.

Some warrants were voided due to Return for Reissue, Printer Error, Input Error or for other reasons, but some of the voided warrants still ended up being redeemed by participants. This may indicate an error on the part of clinic staff, either voiding the wrong FIs or giving the wrong FIs to the participant. To prevent such errors, we recommend that when FIs are voided, whenever possible they be rendered unusable by writing or stamping void on them or tearing them in half.

Local agencies are expected to review the information contained in the reports and research AKWIC and/or participant files to determine if participant noncompliance or abuse was a factor in the redemption of voided warrants. If you find that staff errors were made such as warrants being improperly documented in the AKWIC system, please make necessary corrections, such as removing the “void” on the redeemed FI record.

Upon request, we will fax copies of warrants for your records or so you may provide them to participants. Notes about your findings and/or actions taken may be written in the blank space on the enclosed reports or a separate attachment. Copies must be sent to the State agency documenting the LA actions taken to resolve each situation, including copies of any Improper Action Reports. Your findings should be submitted within thirty (30) days of when the report was sent.

Refer to the P&P Manual for examples of additional actions to be taken in a first instance or if multiple incidents have been documented, (such as issuing a warning or imposing appropriate sanctions). The State Office will determine if any repayment should be made by the participant. (Later this month we will be revising and clarifying the policy regarding actions to be taken in cases of participant non-compliance or abuse as discussed during the policy teleconference on July 12, 2006.)

The State and Local WIC agencies are required to investigate potential cases of participant fraud or abuse and take appropriate action in a timely manner.

We welcome your comments on the new reports and hope you find them easier to use. Working together we can get back on track and improve our compliance with USDA-mandated investigation of potential participant fraud and abuse.

Encl: 504-E report