Expand fraud investigations in health care, child care settings

Issues:

- Fraud, waste and abuse in Minnesota’s public assistance programs, including Medical Assistance and the Child Care Assistance Program, cost taxpayers millions of dollars each year and divert funding that should serve people who need the services.
- Strengthening the department’s capacity to oversee these programs increases accountability and helps ensure that funds are spent effectively for the people we serve.
- Program integrity measures also decrease the risk and harm to recipients who do not receive necessary services, may receive inappropriate services, or may be exposed to coercion or exploitation.
- Right now, the child care fraud investigations unit lacks an integrated case management system for child care fraud investigations.

Proposal:

- This proposal would add four investigators to the Surveillance and Integrity Review Section, which investigates Medical Assistance fraud.
- It would also fund a case tracking system, already used by the state Bureau of Criminal Apprehension, to track and report on investigation activity in the Child Care Assistance Program.

Benefits:

- The Department of Human Services’ capacity to investigate and take action in cases of suspected fraud and abuse will increase. Public assistance programs and taxpayer dollars will be better safeguarded.
- Additional fraud investigators will allow DHS to conduct more investigations and include more types of health care providers.
- The case management system will strengthen fraud prevention and investigation activity for the Child Care Assistance Program.
- More fraudulent providers will be removed from public programs. Taxpayer funds will be protected by stopping or terminating payments and by withholding payments.
Fiscal impact:

- $26,000 in FY 2020
- $100,000 savings in FY 2021
- $200,000 savings in the FY 2022-23 biennium

Related information:


DHS Communications: March 2019