



Anti-Fraud Plan 2018-2019

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Board approved: 05/02/18

Plan Statement

The Anti-Fraud Plan addresses the detection and prevention of overpayments, abuse, and fraud relating to the provision of and payment for the School Readiness program and Voluntary Prekindergarten program services. The Plan addresses parents or legal guardians of children enrolled in the School Readiness or VPK programs. *Note that provider fraud is a violation of the terms of the contract and addressed in the state wide contracts rules. The due process procedures for providers are provided for in the contract between the ELC and the provider, pursuant to Rule 6M-4.610. F.A.C.*

The Anti-Fraud Plan serves to support organizational processes and staff in prevention of fraud, build on employee knowledge and awareness of fraud prevention and describe the coalition's procedures for detecting and investigating possible acts of fraud, abuse of services and related overpayment. Due process procedures for suspending or terminating a recipient's eligibility for School Readiness or VPK programs and the recipient's right to appeal the decision are included in the Plan.

The Plan will be submitted to the Office of Early Learning (OEL) Office of Inspector General (OIG) by requested date annually.

Plan Definitions

Recipient - The parent or legal guardian whose child was determined eligible for School Readiness or Voluntary Prekindergarten Education Program benefits.

Fraud - An intentional deception, omission, or misrepresentation made by a person with knowledge that the deception, omission, or misrepresentation may result in unauthorized benefit to that person or another person, or any aiding and abetting of the commission of such an act. The term includes any act that constitutes fraud under applicable federal or state law.

Suspension - When services are temporarily no longer provided, however the parents do not have to go to the waiting list when their suspension is finished.

Termination - When services are ended and the recipient would have to return to the waiting list when their termination is expired.

Description of Organizational Structure with Plan Responsibilities

Reference Addendum ELC of North Florida's Organizational Chart

The Project Compliance Specialist with Episcopal Children's Services (ELC of North Florida's Primary Service Provider) is responsible for implementing the coalition's anti-fraud activities.

The C.E.O. is responsible for reviewing an initial appeal request by recipient for decision to uphold or modify the suspension or termination.

The following positions are responsible for the daily activities related to prevention, detection, investigation, and reporting of possible overpayment resulting from potential fraud or abuse:

- Director of Family and Provider Services
- Family Services Coordinators
- Family Services Specialists
- Training Director
- Grants and Operations Manager
- Early Literacy Coordinator
- Finance Manager
- Reimbursements Manager
- Reimbursements Coordinator
- Reimbursement Specialists
- Education Specialists
- VPK Manager
- VPK Coordinator
- VPK Specialists
- Project Compliance Specialist

Plan Procedures

ELC Procedures Review –The ELC of North Florida and Episcopal Children's Services will annually review job descriptions and internal processes to confirm appropriate separation of duties is in place, and review internal controls to reduce risk.

ELC Staff Education/Awareness/Training – Training will be targeted both at policy level and operational level.

- All ELC and ECS staff will receive Annual Awareness Review of *their Employee Handbook* covering topics including Code of Conduct and Ethics, Whistleblower Policy, Criminal Destruction of Records and Files Policy, Workplace Conduct, and Conflict of Interest and Business Ethics which requires employees to report any actual or potential conflict of interest between the employee/employee's family and the ELC or ECS.
- All staff will sign the General Handbook Acknowledgement Statement after receiving the annual training indicating that they have received a copy of the ELC or ECS Employee Handbook.
- All staff will sign the Code of Ethics and Conduct Statement annually.
- Additionally all staff will be reminded of specific Internal Control policies and practices in place to prevent fraud. On a regular and routine basis, it is the responsibility of all management staff to ensure that all internal control practices, appropriate fiscal procedures and separation of duties are being followed.

- A mandatory fraud prevention staff training annually and new staff training within thirty (30) calendar days of hire using OEL fraud prevention related training documents for daily coalition/ECS work activities. Topics to be covered include Client Applications and Forms, School Readiness Income Worksheet, Client Rights and Responsibilities, Authorization for release of information and other related documents related to fraud prevention
 - Client responsibility to report changes within ten (10) calendar days of change and coalition/ECS responsibility to implement reported change, including acting on unreported changes, once discovered
 - Quality interviewing techniques during intake, redetermination, and when reporting changes
 - What to look for in an altered or falsified document
 - Eligibility staff are required to identify, verify and resolve case inconsistencies when inconsistencies occur

SR and VPK Parent Education and Awareness

- Display fraud awareness posters in interview rooms at ECS
- Include a fraud awareness statement in SR parent packets with ECS phone number and/or email to report any suspected fraud
- Family Services Specialists will review responsibilities of parent in detail at interview, including importance of reporting changes in their circumstances with in ten (10) calendar days.

SR and VPK Provider Education and Awareness

- Encourage child care providers to report potential fraud to ELC or ECS staff through provider communication venues including email or portal communications, and appropriate provider group meetings
- Periodic reminders to providers about procedures in place to prevent fraud in addition to regular practices of monitoring that occur with providers that also keep providers aware of ELC's/ECS's intention to prevent and/or detect fraudulent practices

Providers, Parents, employees, and Public Access to Reporting of Potential Fraud

- Fraud Awareness statement must be included in intake packet, including how to report potential fraud
- Email and/or newsletter reminders to providers of what to look for and how to report potential fraud
- Employee fraud prevention training as well as a periodic reminder of internal controls
- Annual staff training includes Whistleblower procedures to report potential fraud
- Statement on website with hotline phone number to report potential fraud for parents, providers, and general public.

ELC Detection and Investigation of Acts of Fraud, Abuse or Overpayment

- Monthly unscheduled reviews of work products and follow up on questionable circumstances by the Family Service Coordinators, Director of Family and Provider Services, and the Training Manager.
- Monthly review, research, and follow up of data quality reports generated from Office of Early Learning by Director of Family and Provider Services, the Training Manager and designated ELC/ECS staff

- Documented verification of child care referrals from other organizations through contact with referring agencies.
- Job descriptions of ELC/ECS staff include fraud prevention task
- Daily alertness of Eligibility staff to inconsistencies through regular operational processes with parents, and reporting suspected fraud or abuse to supervisor.
- Follow up on potential fraud reported to ELC/ECS for investigation and to verify or question when inconsistencies occur by Family Services staff.
- Once inconsistencies are identified through any of the above means, contact parent or legal guardian and obtain verification from parent or legal guardian to resolve inconsistencies, which could include but not limited to income, residential documentation, or household composition, and determine if situation is resolved or warrants next steps of due process provisions for termination or suspension of School Readiness or Voluntary Prekindergarten benefits. – Project Compliance Specialist
- For those where investigation concludes that the recipient has committed fraud in the receipt of School Readiness or Voluntary Prekindergarten services, calculate associated overpaid benefits amount and follow the *Due Process provisions for termination or suspension of School Readiness or Voluntary Prekindergarten benefits*. Reimbursement Specialist and Eligibility Specialist

Due Process Provisions for Termination or Suspension of School Readiness or Voluntary Prekindergarten Benefits

The ELC/ECS will provide written advance notice of the intended action to suspend or terminate benefits to the recipient to be affected and it must clearly advise of the allegations, the basis of the allegations the intended action and the date the action is to be imposed. The coalition/ECS shall send the written advance notice at least fourteen (14) calendar days before the intended action. The written advance notice will be translated in the recipient's native language if the coalition's/ECS's other communications with the recipient have been translated. The written advance notice shall include following:

1. The procedure for the recipient to follow to attempt to appeal the decision.
2. A statement, in bold print, that the failure to file a timely appeal waives the right to an appeal.
3. Notice of the potential for repayment of improper benefits if the conclusion of fraud is upheld, including any benefits received after the receipt of the written advance notice.
4. The procedure for the recipient to obtain a copy of his or her file.
5. The amount of overpayment to be recovered, if applicable.
6. The length of time for which the recipient's benefits are suspended or the date of the termination of benefits, if applicable. The following general guide for penalties will be applied, however, considerations will also include the length of time proportionate to the alleged offense committed, consistent with suspensions or terminations issued to other recipients who allegedly committed comparable offenses, and may also consider prior offenses, as appropriate.

Penalties Guideline

- First determination of fraud, eligibility is suspended for the longer of six months or restitution of overpaid benefits.
- Second determination, eligibility is terminated the longer of one year or restitution of overpaid benefits.

- Third and subsequent determinations, eligibility is terminated the longer of five years or restitution of overpaid benefits.

The recipient has a right to challenge within fourteen (14) calendar days; if the challenge is before benefits are terminated or suspended, then benefits remain in place for duration of initial challenge. However, if the decision is upheld, any services received during that timeframe will be included with the overpayment amount.

A suspension or termination shall not be applied against recipients with a valid at-risk referral.

Recipient Right to Challenge Decision

Pre appeal Resolution Procedure

If recipient believes that the conclusion of fraud was made in error, the recipient should first seek to resolve the matter by contacting the coalition/ECS and providing the necessary documentation to resolve the issue. The Project Compliance Specialist will consider all statements, review all documents and may request any additional evidence or information if it is necessary and relevant to the review. Within fourteen (14) calendar days of receiving the parent's request for review, the recipient will be notified in writing of the determination and given a new date when services will end (intended action date) should the finding of fraud stand. Otherwise the parent will be informed within this same timeframe that upon review there is no finding of fraud and therefore no penalty will be assessed. The C.E.O. of the coalition shall not be involved in the pre-appeal resolution of the issue.

If the recipient believes that the issue was not resolved during the pre-appeal resolution procedure, the appeal procedure is outlined in *Florida Rule 6M-9-400 Early Learning Coalition Anti-Fraud Plan, subsection (e) and (f) as follows:*

Appeal Resolution Procedure:

If the recipient believes that the issue was not resolved by the coalition/ECS, the recipient may file a formal written appeal for review by the C.E.O. of the Coalition, using the following procedure:

1. Submit a written appeal to the C.E.O. or other executive staff person as designated by the coalition board. The appeal must fully describe the nature of the error the recipient believes has been made and shall contain any documentation which supports the recipient's claim.
2. The appeal shall be postmarked or emailed before the date of the intended action noted above. The recipient who fails to file a timely appeal waives the right of appeal.
3. If the recipient files a timely appeal, he or she will not be suspended or terminated from the program until the written decision of the C.E.O. or the original date of the intended action, whichever is later.
4. The C.E.O. of the coalition or other executive staff person designated by the coalition board must respond to the recipient, in writing, within thirty (30) calendar days of receiving the appeal with a decision as to whether the suspension or termination will be upheld or modified.
5. The recipient who wishes to appeal the decision of the C.E.O. of the coalition or other executive staff person designated by the coalition board may request further review by an appeals committee in accordance with subsection (e) of this rule. The request for further

review by an appeals committee must be submitted to the coalition in writing within ten (10) calendar days of the date of the C.E.O. or other executive staff person designated by the coalition board's written response to the recipient's formal written appeal.

The recipient shall be given the opportunity to defend his or her position in an orderly proceeding of the appeals committee. When the meeting of the appeals committee is scheduled, the recipient shall be notified of the date of the appeals committee, informed that it is a public meeting, and informed that any information presented may be used by other state agencies.

1. The appeals committee shall be selected by the Chairman of the Board of the coalition and a chair of the appeals committee shall be named.
2. The appeals committee shall be convened within forty-five (45) calendar days of receipt of the recipient's request for an appeal.
3. The recipient shall be provided up to thirty (30) minutes to present their position and any information they wish the appeals committee to consider.
4. The coalition staff, excluding the Executive Director or other executive staff person designated by the coalition board shall be available to provide any information requested by the committee.
5. The appeals committee will consider all statements, review all documents and may request any additional evidence or information from the parties if an appeals committee member believes it is necessary and relevant to the decision making. The required final determination letter will be tolled for the length of time given to provide the additional information.
6. The appeals committee shall select or appoint a member of the coalition, excluding the C.E.O. the coalition or other executive staff person designated by the coalition board to memorialize the events of the appeals committee proceeding and the final determination including the basis for the decision.
7. The appellant shall be notified in writing of the appeals committee's determination within ten (10) calendar days of the date of the meeting.
8. The determination of the appeals committee shall be final.

Benefit Recovery

- For a voluntary overpayment repayment, the ELC/ECS will follow the ELC overpayment repayment process, including review for approval of a payment plan with the recipient, if requested
- For criminal prosecution with restitution, the ELC/ECS will follow the ruling from the court regarding restitution plan

Monthly Reporting Process to OEL

The Project Compliance Specialist will submit an electronic report monthly reporting the parents and providers terminated from services as a result of fraud, per Rule 6M.9.400 subsection (b).

Process for Mandatory Reporting Fraud and Abuse through the OEL Fraud Referral System

The Project Compliance Specialist is the coalitions designated administrator for the Office of Early Learning's *Fraud Referral System*. Contact information:

Jaclyn Cariveau;
Early Learning Coalition of North Florida/ Episcopal Children's Services
jcariveau@ecs4kids.org
904-726-1500 ext. 206

At the point when potential fraud has been communicated to the recipient, the Project Compliance Specialist makes a mandatory referral for potential fraud or abuse investigation using Office of Early Learning *Fraud Referral System*. The referral includes the recipient information, amount of overpayment, discovery date and a brief summary of the allegations, and notification of any evidencing documents available that substantiate the allegations. At this time, the Project Compliance Specialist also notifies the Office of Early Learning's Inspector General's office that a fraud referral has been submitted.

Note the coalition's fraud investigation and appeals procedures outlined in this plan will complement the OEL referral process to Department of Financial Services through the *Fraud Referral System*. If the recipient appeals the decision through the coalition appeals process, the Project Compliance Specialist will update the referral information in the *Fraud Referral System* as appeal decisions are made throughout the appeal process.

Related Policies:

Grievance Policy