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Bulletin No. 97-7

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P-2126 Fraud Procedures

A. Policy Basis

See WAM 2106 and individual policy and procedures sections.

B. Sequence of Investigation and Referral

When fraud is suspected due to complaints or other information received:

- review the circumstances of the case and obtain additional facts, as needed, and
- prepare a DSW 108FS (Food Stamp Claim) for food stamps, and a DSW 108 (Suspected Fraud Referral) for all other programs.

(See FS procedures at P-2540 B and ANFC procedures at P-2231 for additional information.)

Exception: If the amount of the combined ANFC and/or food stamp loss is under \$900, do not submit a fraud referral. For fuel, Medicaid/Dr. Dynasaur, VHAP, Essential Person, and general assistance, do not submit a fraud referral for combined program losses of less than \$2,000. The fraud unit has determined that investigations for losses under these amounts are not cost-effective. For ANFC and food stamps, treat the overpayment as a client error claim.

The supervisor or district director (as indicated on the appropriate form) reviews the DSW 108 and/or DSW 108FS; requests additional information, as needed; and takes one of the following actions:

1. If in agreement with the fraud referral, he or she will complete the forms (DSW 108, DSW 108FS), send them to the fraud unit, and give you the suspense copies for the case record.

NOTE: Once a referral has been made to the fraud unit, do not accept reimbursement from the recipient or be involved in negotiating a settlement until you are instructed to do so by the fraud unit, or the referral for investigation will be rejected.

2. If not in agreement with the fraud referral, he or she

will:

- enter the decision and reason on the forms and return them to you to initiate recoupment for a client error.

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P-2126 Fraud Procedures (Continued)

B. Sequence of Investigation and Referral (Continued)

Fraud Chief:

- Reviews DSW 108 and/or DSW 108FS
- Assesses desirability of initiating investigation
- Makes a decision on acceptance or rejection and sends a memo to the District Director (or Central Verification Unit if they made the referral).
- Assigns to Welfare Fraud Investigator for investigation, if appropriate.

Welfare Fraud Investigator

- Completes investigation
- Prepares report for review by Fraud Chief.
- Obtains DSW 108A (Reimbursement Agreement), if appropriate. Recipient retains a copy.

Fraud Chief

- Reviews investigator's report.
- Continues with referral for legal action or advises the District Director of other disposition.
- Terminates investigation.
- Sends District Office a disposition memo with final disposition of legal action.
- Sends required periodic reports to Federal Agencies.

Districts

When the disposition memo is received, follow the stated instructions.