

**County of San Diego, Health and Human Services Agency (HHSA)
Medi-Cal Program Guide**

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Revision Date:

06/01/2021

Background:

Fraud exists when a person, on behalf of themselves or others, knowingly intends to deceive or defraud by:

- Making a false statement or representations to obtain, continue, increase, or avoid reduction of benefits
- Failing to disclose facts which, if disclosed, may result in a denial, reduction, or discontinuance of benefits
- Accepting benefits to which they are not entitled

This section provides regulations on:

- Fraud Prevention
- Early Fraud Referrals
- Income Eligibility Verification System (IEVS)
- Other Fraud Prevention Systems

Purpose:

The Asset Verification Program (AVP) was added to the section under IEVS. In addition, material on the Public Assistance Reporting Information System (PARIS) was updated to include recent program clarifications.

Policy:

A. Reasonable Grounds to Suspect Fraud

Reasonable grounds to suspect fraud may exist if the customer:

- Provides unclear or conflicting information
- Has difficulty with obtaining verifications or provides third party contacts that do not cooperate
- Presents documentation that appears to have been altered

Additional fraud indicators can be found in Desk Aid 40 – Potential Fraud Indicators.

B. When to Refer for Fraud Investigation

Medi-Cal fraud investigations are conducted by the Department of Health Care Services (DHCS) Investigators. Fraud Referrals to DHCS investigators are made in the following situations:

- At intake for early fraud detection
- Full field investigations for cases granted more than 90 days
- Solicitation referrals
- Potential overpayment period evaluations (see MPG 16.02)

C. Fraud Prevention Responsibilities

- Review the customer's responsibility for reporting changes that affect eligibility or share of cost (SOC) at application and redetermination
- Ensure the customer understands the penalties for failing to report

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- Note in case comments whether the customer shows understanding of their reporting responsibilities
- Take prompt action on any information or circumstances that could affect eligibility or SOC
- Obtain required verifications and review for consistency and completeness
- Attempt to resolve inconsistent/incomplete information or seemingly altered verifications with the customer
- Initiate a referral to DHCS investigators when there is questionable information that cannot be resolved and may affect eligibility

D. Early Fraud Detection

- Make prompt referrals to DHCS investigators when appropriate following the procedures in Processing Guide 19
- DHCS investigators will attempt to respond within 15 calendar days, granting higher priority to cases requiring a short turnaround
- Eligibility must be granted if inconsistencies are resolved prior to the completion of the investigation

E. Full Field Investigation

- When inconsistent or questionable information is discovered on a case that has been active for more than 90 days, it should be referred to DHCS Investigators for a preliminary review
- The investigator will provide referral findings to the Human Services Specialist (HSS) and indicate if a full field investigation is needed
- The full field investigation will take additional time and the case must remain active until the investigation is complete

F. Fraud Hotline

DHCS operates a toll-free hotline for reporting possible Medi-Cal fraud at 1-800-822-6222. Refer callers to this hotline for complaints of potential fraud on closed cases or information not related to eligibility (provider or misuse of benefits).

G. Income Eligibility Verification System (IEVS)

IEVS provides a computer match of customer name, date of birth, and in some cases Social Security Number (SSN) to the following information sources:

- Medi-Cal Eligibility Data System (MEDS) Central Database eligibility history file
- MEDS AVP database
- Employment Development Department (EDD) wage, employment and disability files, Unemployment Insurance Benefits (UIB) and State Disability Insurance (SDI)
- Franchise Tax Board (FTB) interest and dividend information; mortgage interest; acquisition or abandonment of secured property; broker or barter exchange proceeds; certain government payments; distributions from pensions, annuities, retirement plans; real estate transaction proceeds; Individual Retirement Account (IRA) contributions; miscellaneous income; original issue discount; taxable distributions from cooperatives; gambling winnings
- Retirement, Survivors and Disability Insurance (RSDI) benefit information from Social Security Administration (SSA) files

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- SSA/Internal Revenue Service (IRS) wage and self-employment income information from the Benefit Earnings and Exchange Record (BEER) files

IEVS is divided into two systems, Applicant and Recipient. The Applicant system provides information on customers during the application process. The Recipient system consists of the following sub-systems:

- Payment Verification System (PVS)
- New Hire Registry (NHR)
- AVP
- Earnings Clearance, which is also known as the Integrated Fraud Detection (IFD)
- Asset Match
- BEER

IEVS as Verification

IEVS UIB/DIB and RSDI match results may be used as verification of information that is provided on the Statement of Facts.

H. Other Fraud Prevention Systems

Public Assistance Reporting Information System (PARIS)

PARIS is an information sharing system that allows state and federal agencies to verify customer's circumstances.

PARIS currently issues two reports:

1. Interstate Match - Enables states to compare information with other states and provides a list of customers who are receiving self-sufficiency services in another state.
2. Federal Match - Enables states to compare information with the United States Department of Defense and United States Office of Personnel Management. The report provides a list of customers who are receiving unreported federal income. The income includes retirement payments received by former federal civilian and military employees and current military reservists. The report indicates in the "Record Type" column if the customer is retired military veteran (code MR), a reservist (code MV), or a retired civilian (code CR).

DHCS Residency Verification Program (RVP)

The DHCS RVP conducts periodic data matching to detect if customers are living outside of California. There are numerous detection sources, such as, information from the Department of Defense, SSA, the Medicare program, and public records.

Note: DHCS provides the PARIS and RVP reports quarterly to Medi-Cal Program. Review the reports and follow the procedures in Processing Guide 19.

Systematic Alien Verification for Entitlement (SAVE)

The SAVE system compares United States Citizenship and Immigration Services (USCIS) information with alien numbers in CalWIN. Information from the primary SAVE system indicates if the customer has legal immigration status.

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MEDS

MEDS identifies all beneficiaries who receive Medi-Cal in California. MEDS is helpful in preventing and identifying duplicate aid cases. The “Known to Welfare” screen on MEDS, under the “Income and Eligibility Verification System” main menu, can be used to identify if a customer received CalWORKs, CalFresh, Medi-Cal, Covered CA, and/or Homeless Assistance within California.

Central Data Base (CDB)

CDB is a statewide database which is available to verify current and historical receipt of CalFresh benefits in California.

Assessor/Secured Property

This system allows workers to determine the owner of a property parcel, the assessed value of the property, and if the property exists. This system can be used to determine if there is conflicting information.

Recorder’s Marriage and Death Index

View to verify a marriage or death records.

Division of Juvenile Justice (DJJ) Match Reports

DJJ reports are created by comparing a list of Medi-Cal beneficiaries to a list of incarcerated juveniles and are sent to the County monthly by DHCS and posted to SharePoint with notification to the Family Resource Center (FRC) upon posting.

When notified that the DJJ match report has been posted, take the following actions:

1. Review the match report to ensure the correct case data was used
2. Resolve discrepancies with the beneficiary per procedures in Article 4, Section 8
3. Narrate actions and send appropriate notifications
4. Complete the “TO BE FILLED OUT BY CWD” fields on the match report fully explaining actions taken and forward to FRC designee for roll-up and email to Medi-Cal program

NOTE: Suspend eligibility of incarcerated juveniles if they meet the criteria in MPG 06.05.02.

Procedure:

Medi-Cal Processing Guide 19 contains instructions on the following procedures:

- Referrals to DHCS Investigators
- Community Complaint Procedures
- Processing IEVS, NHR, ECS/IFD, AVP
- BEER reports
- DHCS Residency Verification Programs (PARIS Interstate Match & RVP)
- PARIS Federal Match - Identifying Unreported Federal Income

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Other Program Impacts:

CalWORKs

If a CalWORKs recipient was discontinued on MEDS as part of the PARIS program, complete a review of the case and make every effort to contact the recipient to determine residence. Residence in the state, but not in the county, is a requirement for continued eligibility to CalWORKs.

CalFresh

A timely Notice of Action (NOA) is not required for Public Assistance CalFresh (PACF) and Non-Assistance CalFresh (NACF) households if it is determined based on reliable information from the PARIS program that the household is not residing in the state of California.

Discontinue the household at the end of the month in which the change was found. The correct notice for "Loss of Residence" must be sent to the household. All case actions must be recorded in Case Comments in CalWIN.

References:

MEPM 21M-1, 21M-8, 21E-3

ACWDLs 09-41, 10-05, 11-14, 17-18

MEDILs 17-25, 17-37, 21-03

Sunset Date:

This policy will be reviewed for continuance by 05/31/2024.

Approval for Release



Rick Wanne, Director
Self-Sufficiency Services