




**LAS ANIMAS COUNTY  
DEPARTMENT OF HUMAN SERVICES**

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February 1, 2021

<b>FRAUD PREVENTION POLICY &amp; MANUAL</b>	
<b>POLICY TITLE</b> Quality Assurance/Fraud Prevention	<b>REFERENCE</b> C.R.S 26-1-112; 26-1-118; 26-2-703 (17.5) CDHS Volume III 3.609 CDHS Fraud Prevention Manual
<b>POLICY NO.</b> <b>1.01</b>	<b>EFFECTIVE DATE</b> <b>FEBRUARY 1, 2021</b>
<b>DEPUTY DIRECTOR APPROVAL</b>  <i>Robert Bertolino</i> Date: 03/23/2021 Robert Bertolino Deputy Director, Las Animas County DHS	<b>DIRECTOR APPROVAL</b>   Date: 03/22/2021 Michael Aragon, ABD, MS Director, Las Animas County DHS

**BACKGROUND/ PHILOSOPHY**

The fundamental values of the Las Animas County Dept. of Human Services (DHS) Program(s) include respecting the dignity and well-being of all people, promoting self-determination, honoring cultural diversity, advocating for social justice, and acting with integrity, honesty, genuineness, and objectivity. Program staff considers these standards in ethical and professional decision making. It is the intent of Las Animas County DHS to promote consistent organizational behavior and develop effective working relationships with human services and community partners. We respond to the direction of human needs and human circumstance and enhance customer safety, independence, functioning, health and well-being within the context of our community and environment. Likewise, we uphold the integrity and ethics of our own profession, and continually work to increase our professional growth. Finally, we recognize and build on customer and community strengths, and value the accountability of the use of public dollars by maximizing efficient use of resources.

**PURPOSE**

The Las Animas County Quality Assurance and Fraud Prevention policy is established to facilitate the development of systems aiding in the prevention and detection of internal and external fraud. It is the intent of Las Animas County DHS to take all allegations of fraud seriously, investigate all allegations of fraud appropriately, maintain procedures for assessing the risk of fraud and educate staff and partners at all levels on fraud awareness and relevant procedures.

This policy contains the standards and framework for the maintenance of program integrity ensuring program accuracy and preventing the misuse of benefits. This policy applies to any irregularity or suspected irregularity involving employees, customers, contractors, vendors, consultants, stakeholders, and/or other outside agencies engaged in a business relationship with the department.

## DEFINITIONS

**Basic Cash Assistance (BCA):** The assistance grant given to eligible participants of many of the cash assistance programs offered through the federal and State of Colorado government, including: Aid to the Needy and Disabled, Old Age Pension, SNAP Food Benefits, Medicaid, Colorado Works, and other income maintenance based on federal and state availability.

**Colorado Benefits Management System (CBMS):** State prescribed computer system used to maintain program eligibility and case management activities.

**Electronic Benefits Transfer (EBT) Card:** State prescribed method of issuing benefits to recipients.

**Temporary Assistance to Needy Families (TANF):** The Temporary Assistance for Needy Families (TANF) program provides grant funds to states and territories to provide families with financial assistance and related support services. State-administered programs may include childcare assistance, job preparation, and work assistance.

## POLICY

Fraud is defined as the intentional false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Las Animas County management staff is responsible for the prevention and detection of fraud as well as providing the necessary training to all staff in the prevention and detection of fraud.

### ***Risk Assessment***

Each member of the management team will be familiar with the potential types of fraud within his or her area of responsibility. Management staff is aware of specific behaviors within their work group signaling the environment is potentially at high risk for fraud. Staff is prepared to prevent and/or minimize the development of these risks as well as manage these risks and their potential impact in a professional manner.

### ***Strategies***

#### ***Internal Controls***

Fraudulent acts committed by employees of Las Animas County DHS and/or clients may include theft, misuse, and/or misrepresentation of data for use in determining eligibility and grant amounts. Common methods and types of internal fraud identified by departments of human services include:

- Deliberate overpayment of benefits to customers
- Creating false persons and applications
- Reporting false information on behalf of the customer
- Data intentionally entered for incorrect sums (expenses, income, etc.)
- Intentionally altering amounts and details on client documents/cases
- Over-riding denial/fail decisions to approve benefits
- Misappropriation of funds
- Unauthorized transactions
- Using false identification

- Creating false addresses
- Inappropriately reversing claims and overpayments
- Removing benefits from client accounts
- Falsifying documents
- Forging signatures
- Accessing benefits of deceased clients
- Claiming mileage for destinations not traveled

Management will resolve situations related to an employee's ethical or behavioral conduct consistent with County Policy.

If a client is suspected of fraud, a fraud report may be submitted by emailing a description of the alleged fraud to [infolasanimascountydhs@gmail.com](mailto:infolasanimascountydhs@gmail.com)

You may also submit a [Fraud Allegation Form](#) to:

219 S. Chestnut Street  
Trinidad, Colorado 81082

### ***Protocols ~ Other Criteria***

(See Las Animas County Nepotism/Conflict of Interest Policy)

### ***External Controls***

We strike a balance between encouraging independence and family well-being and committing to the prevention, detection, and correction of misconduct and dishonesty. Within eligibility, Las Animas County DHS staff reviews and verifies supporting documentation provided by the applicant on the application and requests additional information as necessary to determine program eligibility. Workers will, whenever possible, contact the county or state the applicant formerly resided (if applicable) to gather information needed to determine eligibility of the applicant including, but not limited to, previous eligibility, sanctions, work history, and fraudulent activities.

A Las Animas County DHS staff member verifies household composition, employment, and residence status by the following procedures including but not limited to:

- Interfaces
- Collateral contacts
- Written documentation as appropriate within Program guidelines
- Unannounced home visits
- Other legal means deemed necessary to determine eligibility

A Las Animas County DHS staff member discovering or suspecting fraudulent activity will:

- Verify the suspected fraud
- Establish a recovery for the over issuance period
- Document the recovery in CBMS case comments
- Complete an investigation/fraud referral form

A record of all fraud referrals is maintained by the Fraud Unit.

### ***Prudent Person Principle ~ Collateral Contact***

When necessary and practical, Las Animas County DHS implements procedures for independent verification of customer information including addresses, Social Security Numbers, and other case information. Las Animas County DHS verifies customer information through any of, but not limited to, the following:

- Google, and/or other search engines such as Accurint
- County Assessor including direct contact and/or website
- Social Security Administration records
- Landlord and/or mortgage company records
- Family members
- Employers; past and/or present
- School records
- Car Dealers
- Bank records
- Work Number

### ***Monitoring***

Las Animas County DHS utilizes effective interviewing techniques throughout the life of a case to prevent and detect fraud. Additionally, the Business Office, Supervisors, and Administrators run a variety of reports to review case work for abnormalities and payments over a specific threshold limit, including restoration payments, diversions, supportive services and other activities indicating potential fraud. Reports reviewed may include, but are not limited to:

- Payments over \$1500.00
- Daily Issuance Participation Report
- Security Profiles in the Colorado Benefit Management System
- Supervisory authorization at specified levels of benefit approval
- Death Match Report
- PARIS
- Out of State Electronic Benefit Transfer (EBT) Usage
- Duplicate Social Security Number (SSN)
- IEVS
- EBT Prohibited Access Reports
- High Balance Reports

The Las Animas County Quality Assurance Team uses Transaction Case Sampling to pull a percentage of case actions for each worker. This process is instrumental in preventing and detecting fraud, and enhancing our ability to find errors, target training and staffing needs, and ensure that our customers are receiving appropriate benefits and services. Reporting Procedures/ Fraud Investigations Las Animas County staff are encouraged to report concerns to the Las Animas County Fraud Unit. Fraud Unit staff prepare a written report for the Administrator to review and determine what, if any, further action should be taken. Actions can include, but are not limited to:

- Determination no fraud was committed,
- Determination of the amount of overpaid benefits,
- Referral back to the case manager,

- Termination of assistance,
- Administrative and/or local level hearing,
- Establishment of a claim,
- Referral to the District Attorney (DA) for prosecution.

The State Fraud Hotline is maintained to encourage the public to report suspected fraud 24 hours a day by telephone at 1-877-934-636 or by fax at 303-866-7332.

***Confidentiality***

Las Animas County staff and others involved in the process of fraud investigation treat all information received as confidential. Investigation results will be disclosed or discussed on a "need to know" basis only. This is important to avoid damaging the reputations of persons suspected but subsequently found innocent of any wrongful conduct. Any employee who suspects dishonest or fraudulent activity will notify the director, or designee, immediately and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

***Staff Training***

New staff is trained on the department's values and code of ethics. The training explicitly covers fraud awareness and prevention with a positive tone. Training provides examples of suspected fraud and stresses the expectations for all employees to communicate and report any suspected instances. The Las Animas County Fraud Unit is a part of employee training and provides updated materials to employees when necessary. Ongoing training is offered through the Colorado Welfare Fraud Council (CWFC) and the state Division of Employment and Benefits Professional Development Academy.