

<p style="text-align: center;"><b>Texas WIC</b> <b>Health and Human Services Commission</b></p>
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Effective April 1, 2018

Policy No. GA:20.0

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## **Staff Fraud and Abuse**

### **Purpose**

To preserve the integrity of the certification and food delivery processes by requiring local agencies (LAs) to follow standardized procedures regarding staffing of clinic for prevention of fraud and abuse. To prevent conflict of interest or the appearance of conflict of interest between any employee of a local agency (LA) and a food vendor within the LA's jurisdiction.

### **Authority**

7 CFR Part 246.12

### **Policy**

Local agencies shall have a policy to prevent and detect staff fraud and abuse. To ensure no appearance of conflict of interest exists, local agency employees shall be prohibited from:

- I. participating in any component of the certification process and issuing food benefits to himself/herself, relatives and close friends,
- II. determining eligibility for all certification criteria and issuing benefits for the same participant (there must be separation of duties) and
- III. having financial interest in any food vendor who is authorized to accept WIC food instruments within the LA's jurisdiction.

Alleged WIC Program abuse by staff shall be reported to appropriate LA and State agency (SA) staff for investigation and resolution.

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## **Definitions**

**Abuse** - may include but is not limited to:

- I. sale of supplemental foods or food instruments to or exchange with other individuals or entities;
- II. falsifying certification documents in order to obtain/provide food benefits;
- III. intentionally sharing computer passwords with co-workers for the purpose of illegally issuing food benefits;
- IV. threatening to harm or physically harming participants and/or LA, vendor or SA staff.

**Employee** - a person whose salary is paid in whole or any part by funds provided by the WIC Program.

**Relatives** - persons who are within the second degree of affinity and consanguinity include spouse, parents, children, grandchildren and grandparents, brothers, sisters, aunts, uncles, nieces, nephews, first cousins, stepparents, stepchildren, stepbrothers, and stepsisters by blood or marriage.

**Close friend** - cannot be defined in a way that fits every situation; therefore, local agencies have authority to determine if a WIC applicant or participant is a close friend of a local agency WIC employee.

**Separation of duties** - staff who determines income eligibility cannot determine nutritional risk. It is acceptable for one staff member to conduct part of the certification, e.g., determine nutrition risk and also issue benefits, if another staff member determines income eligibility.

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## Procedures

- I. LAs shall develop a policy addressing procedures to prevent and detect staff fraud and abuse. The policy must be submitted to the SA for approval prior to implementation. At a minimum, the policy shall include the following elements:

- A. Requirements for logging off computers and not sharing computer passwords.
- B. LA employees shall sign and date a locally produced form annually which contains the statements below. The statement must be signed prior to hiring to detect potential staff fraud/abuse. The signed and dated statements must be maintained on file and made available for audit/review.

"I certify that neither I nor any individual related to me within the second degree of affinity (marriage), or within the second degree of consanguinity (kinship) has any financial interest as owner, officer, director, or partner in any food vendor who is authorized to accept WIC food instruments within the local agency's jurisdiction.

I certify that I will not participate in any component of the certification process and issue food benefits, at certification, to myself, a relative or close friend."

1. If an employee is not able to sign the annual statement, the LA must notify the SA and document the employee's conflict of interest. The LA is responsible for advising their employee and ensuring that there is not fraud, conflict of interest or abuse by that employee. Procedures to ensure there is not conflict of interest must be clearly documented and kept on file. All documents shall be

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made available for audit or review.

2. The WIC employee who is scheduled or who has a relative or close friend scheduled for a certification appointment shall notify the WIC director or clinic supervisor so that arrangements can be made for another WIC employee to certify and/or issue the food instruments. WIC employees may only provide nutrition education to relatives and close friends.
  3. LAs not having staff available to certify a WIC relative or close friend may call the SA Clinic Services Branch to obtain assistance in the certification process. The "telephone certification" shall be documented with faxed signatures from the SA staff. Advance notice to the SA is required to ensure applicants are assisted in a timely manner. A 24-hour notice may be necessary to ensure that a SA employee is available to assist with the certification.
- C. Procedures for circumstances when separation of duties is not possible because only one employee is available to conduct certifications or no certifier is available.
1. The procedures may include the following:
    - a. Reschedule certification appointments.
    - b. The WIC director or clinic supervisor will make arrangements for an employee from another clinic to serve as a second person involved in the certification process.
    - c. The WIC director or clinic supervisor will make arrangements for the staff member to call a certifying authority (CA) or a WIC Certification Specialist (WCS) at another clinic to assist the clinic by conducting a certification over the telephone.
      - i. The "telephone certification" shall be documented in the record and include a faxed

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- Supplemental Information Form (SIF) with the signature of the CA or WCS.
    - ii. When a WCS conducts the certification, the participant shall receive only one month of benefits if the qualifying risk conditions are not approved for WCS counseling (e.g., medium or high risk).
- 2. If a CA or WCS from another clinic is not available, the LA shall include the following requirements in the procedures. Documentation shall be kept on file.
  - a. A supervisory review of all non-breastfeeding infant certification records and at least 20 percent of a random sample of remaining certification records. The record review shall be completed within 2 weeks. It is recommended that staff is rotated so that the same person is not the only person that is known at the clinic.
  - b. Documentation of a quality assurance telephone survey to a random sample of ten percent of the participants serviced on that particular day(s). The survey shall be completed within 30 days (see Guidelines in this policy for sample questions). At a minimum, five questions shall be asked.
- 3. Clinics with multiple WIC staff that allow one staff person to perform all eligibility and certification functions including issuing food benefits is not recommended as it does not meet the strict definition of separation of duties. If the Local Agency uses this option they must follow the above review of records (Section C.2.a). An additional file review of 10 percent of each clinic's certification files must be conducted every six months by the Local Agency Director or designee. Documentation of both reviews must be maintained on file.

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- D. A system for documenting, reporting and follow-up of suspected/alleged abuse, including SA notification.
  - E. Procedures for referring any case for criminal prosecution.
- II. Failure to follow these procedures may cause the LA to assume the liability for the amount of improperly issued program benefits.
- III. Any exceptions to this policy shall be submitted in writing to the SA for approval. The LA policy and any required documentation in this policy shall be made available for review during quality assurance monitoring visits.
- IV. When problems are detected, the WIC Director or designee shall take immediate action to resolve the problem. If fraud or abuse is suspected, the LA shall notify the Information and Response Management (IRM) liaisons of the SA for follow up and necessary action within 72 hours.

### **Guidelines**

The LA may use the following questions as part of the quality assurance survey.

This is (name of employee making the call) from the WIC clinic. Our records indicate you had an appointment in the WIC clinic on (date). Is that correct?

1. Can you verify who was seen on the day of the appointment?
2. Were weight gain or growth for (the above mentioned person) discussed?

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3. Were the blood results for (the above mentioned person) discussed?
4. What breastfeeding information did you discuss or receive? (pregnant women only).
5. Were you treated with courtesy and respect by the WIC staff? If not, please tell me what happened.
6. How long were you in the WIC clinic that day?
7. When you left the clinic, did you understand about the eligibility requirements and the use of your WIC benefits (vouchers or WIC Lone Star card)? (initial certifications only).
8. What questions or concerns would you like to discuss with a nutritionist or me?