



Minnesota Department of **Human Services**

**Fast Facts:**  
2015 Legislative Session

## Protecting taxpayers from fraud in public programs

Minnesota is a national leader in fraud prevention and in 2011 the Department of Human Services (DHS) created the Office of Inspector General (OIG) to even more effectively combat waste and abuse in its human services programs. This change enabled Minnesota to take a decentralized and fragmented system and streamline operations and find ways to better protect the integrity of government programs. Since then recoveries in Medical Assistance (just one of the programs the OIG reviews) have increased 800 percent from \$878,000 in 2011 to \$7.2 million in 2014.

In 2013 the governor and Legislature enhanced the OIG by making important investments in additional investigators and tools to fight fraud, waste and abuse. The 2015 legislative session continued this work by increasing our ability to make sure services are appropriately provided and strengthening our ability to recover funds.

### 2015 legislation:

**Strengthening Recovery Audit Contract (RAC) effectiveness:** The Recovery Audit Contract (RAC) program helps reduce Medicaid improper payments through the efficient detection and collection of overpayments. New legislation will allow DHS to add two new positions to increase the amount of recoveries of improper Medicaid payments. The additional staff will allow review of additional providers and more complex billing scenarios resulting in increased provider compliance. **FY16/17: savings of \$70,000**

**Prohibition of and criminal penalties for recruiting with conditions in child care:** Child care providers, center owners and others are prohibited from recruiting employees based on whether they have children in the Child Care Assistance Program (CCAP) or are eligible for the program. This practice has been associated with fraudulent billing. Those who engage in this activity may be charged with a crime or disqualified from holding a provider license. This law is intended to assure that children receive the child care they are eligible to receive, decrease exploitation of families and support reaching more families on the program's waiting list. **No budget impact**

**PCA service verification requirements:** Agencies that bill for personal care assistants (PCAs) will need to verify the attendance of PCAs by calling and speaking to the PCA and the person receiving the services at least once every 90 days. This will help ensure that Medical Assistance dollars are being spent appropriately and decrease instances of fraudulent billing. **No budget impact**

**Non-emergency medical transportation (NEMT) provider documentation and background study requirements:** This provision strengthens documentation requirements for non-emergency medical transportation (NEMT). NEMT serves recipients who do not have the means

to get to and from their medical appointments. Now both the driver and recipient will need to attest to the accuracy of the services provided and received. In addition, background studies are now required for NEMT providers, including the owners, controlling individuals, managers, drivers and certain other employees. **No budget impact**

**Penalties for trafficking Electronic Benefit Transfer (EBT) cards:** It will become a crime after Aug. 1, 2015, to “traffic,” or illegally sell, EBT cards. This will reduce the chances of EBT cards getting into the hands of people who are ineligible to receive such benefits. **No budget impact**

*DHS Communications: June 2015*