



Bureau of Fraud Investigation

Household Composition Fraud Complaint Procedure (Project 475 – SNAP and Medicaid)

October 1, 2013

Prepared by:

Management Analysis, Policy & Data
Division

Investigation, Revenue and Enforcement
Administration

PROCEDURE NOTE:

This procedure manual (including any modifications) is prepared for informational purposes only. The purpose of this procedure manual is to provide support and guidance to the management and staff of the NYC/HRA Investigations, Revenue, and Enforcement Administration (IREA). Nothing in this manual is intended to create nor does it create any enforceable rights, remedies, entitlements, or obligations. IREA reserves its right to change or suspend any or all parts of this manual at any time.

Audience

IREA/BFI Investigative staff

Background

Project 475 allegations are identified by the Management Analysis, Policy, and Data (MAPD) department based on the household composition of a case. A Project 475 case is, or recently was, active for SNAP **AND** Medicaid benefits and contains one adult household member and one or more minor children.

In a Project 475 case, information gathered from Lexis/Nexis, ACRIS, HRA OneViewer, DMV, and other sources indicate that a mandatory household member (the spouse or parent of the child[ren], hereinafter known as the Undisclosed Household Member) owns the WMS address, is employed, and resides at the WMS address, and/or has vehicles registered at the WMS address.

Identified cases are emailed by MAPD to the BFI Director, who assigns them to an Investigations Supervisor for substantiation. The Investigations Supervisor enters the case into IRIS and assigns it to an Investigator. To substantiate these allegations, the Investigator needs to prove, by documentation, that the Undisclosed Household Member is residing in the participant's home. If the allegation is substantiated, the Investigator revises the income and resources for the entire household including the Undisclosed Household Member.

Purpose

The purpose of this procedure is to instruct BFI Investigations staff on the processing of Project 475 allegations.

PROCESSING PROJECT 475 ALLEGATIONS

Documenting Evidence for Project 475 Cases

Investigators substantiate their cases by obtaining documentary evidence and maintaining accurate investigative notes. The Investigator proceeds throughout the investigation with the goal of obtaining as much information as possible. Every action taken is written in the case notes and reviewed by the Investigator before taking the next step. In Project 475 cases, the Investigator does not contact the participant and/or Undisclosed Household Member until after the Investigator prepares the case by performing the following:

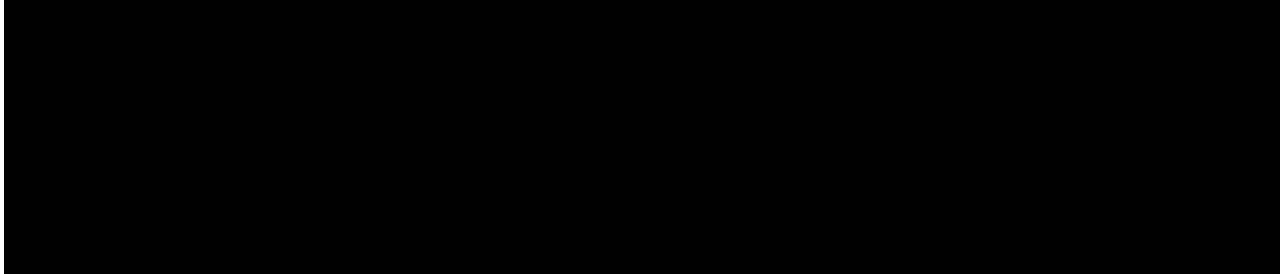
1. Determining the identity of the Undisclosed Household Member:

- Investigator searches HRA OneViewer for the birth certificates for each child on the case and marriage certificates. If there are no birth or marriage certificates present, Investigator requests them from the NYC Department of Health and the NYC Marriage Bureau through the assigned BFI liaison.
- Investigator looks in OneViewer for an absent parent questionnaire and letters from an absent parent.
- If the name of the Undisclosed Household Member is not present on the birth certificate and no marriage certificate or other documentation of paternity or maternity can be located, the investigation may proceed by securing the children's school records.

- Searches WMS for any prior applications submitted by the Undisclosed Household Member.

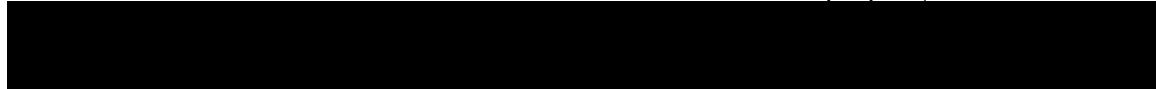
2. Reviewing the household information the participant provided to HRA:

- HRA OneViewer contains case composition and income information that the applicant provided on applications, recertification, and other correspondence regarding the members of the household.
- Investigator logs into ACRIS, which is found in the New York City Department of Finance web site and verifies that the person signing the lease or landlord letter is the actual owner of the property.



3. Determining the ownership of the WMS Address:

- Investigator accesses the NYC Department of Finance ACRIS system and locates the most recent deed or UCC-1 statement associated with the property.



4. Determining the resources or income of the Undisclosed Household Member:

- Investigator accesses LexisNexis, ACRIS, DMV, and TALX/Worknumber to determine the income and resources of the Undisclosed Household Member.



- Investigator searches the websites of the NYS Division of Corporations and NYS Professional Licenses and Lexis/Nexis where it may be indicated that the Undisclosed Household Member is associated with a business or holds a professional license.
- If Investigator thinks that there is a possibility of a finding recipients' ownership of grocery store, restaurant, bar, taxi service, he/she may contact the State Liquor Authority or Division of Consumer Affairs, for licensing information which may confirm ownership.
- An appointed BFI Liaison has access to Taxi and Limousine Commission data that should also be requested by investigator.

5. Determining (in WMS) if the Undisclosed Household Member is or was active at the WMS address at a different residence:

- Identify what information was provided to HRA regarding residence, income and resources of the Undisclosed Household Member.
- Accessing the Resource File Integration (RFI) system for information on the Undisclosed Household Member may also be useful in all cases where income is a question.

6. Determining if Undisclosed Household member is receiving rent payments from HRA:

- Section 8 documents (if applicable to case) may be available in OneViewer. Copies of Section 8 checks issued to the Undisclosed Household Member can be obtained from New York City Housing Authority (NYCHA) or Housing Preservation Department (HPD) through the appointed BFI liaison.
- Investigator requests copies of checks from NYCHA when the Undisclosed Household Member/landlord is receiving shelter payments from HRA.
- Investigator reviews OneViewer for landlord and lease documents for each HRA participant who resides or has recently resided at the address owned by the Undisclosed Household Member.

7. Determining the address of the participant:

- The participant may not reside at the address reported to HRA. The Investigator reviews RFI, Bank Accounts, UIB, W-4, DMV, EBT, to determine where, geographically, benefits are being used, and Lexis/Nexis, TALX, and ACRIS to determine if the participant is actually residing with the Undisclosed Household Member at an address different than the address of record.

8. Researching Internet search engines:

- The investigator uses Internet search engines, such as Google, to search for the names and addresses of the participant and the Undisclosed Household Member to find any information relevant to the investigation. This may include news reports and wedding or birth announcements, and social media such as Facebook and LinkedIn.

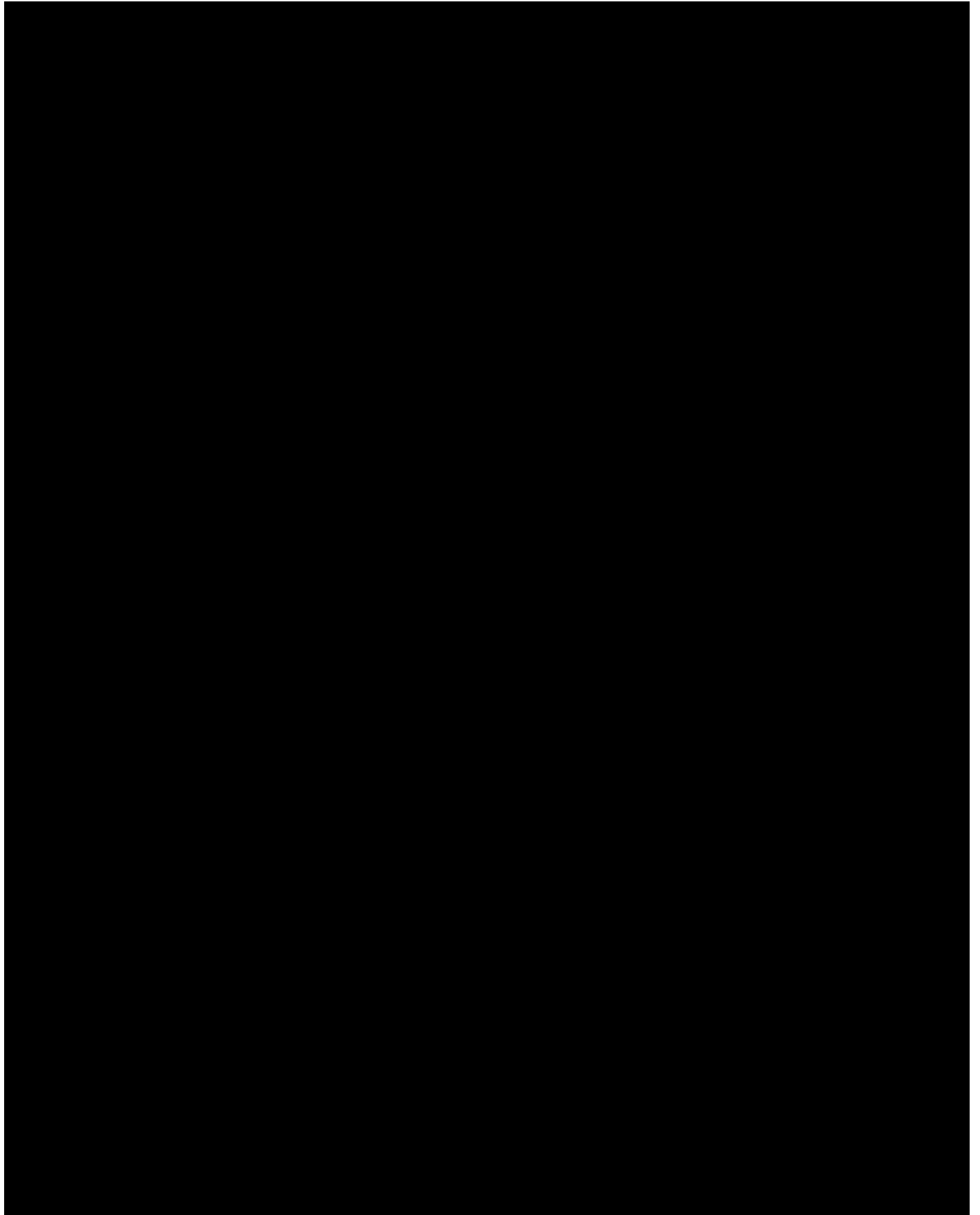
Note: Investigator refers to *NEW PROCESS FOR INVESTIGATIONS INVOLVING SOCIAL MEDIA, IREA Informational 2012-05, Attachment 1*, for instructions and parameters of social media use.

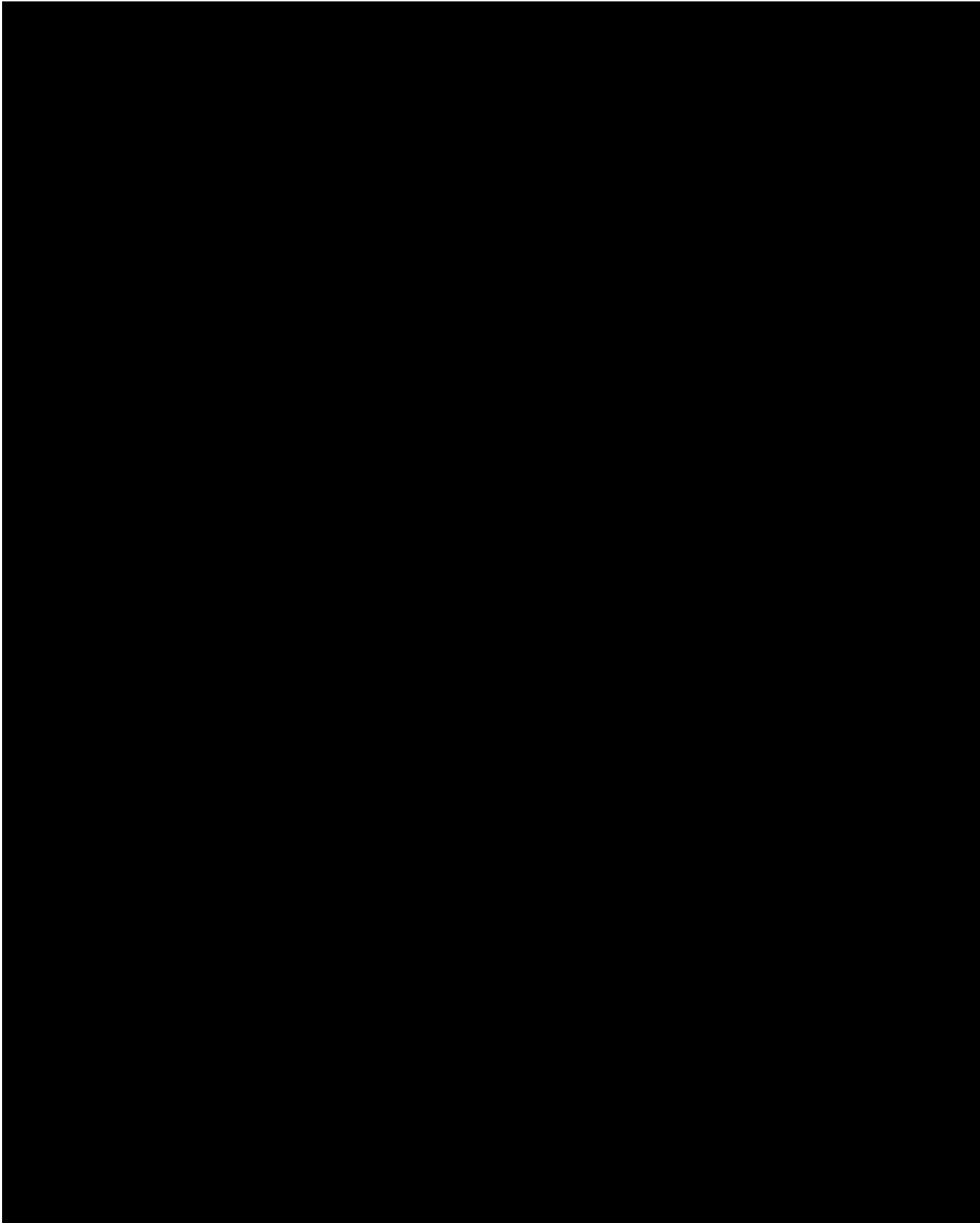
9. Determining the amount of benefits that the participant's household received:

- This includes all Medicaid and childcare benefits from the date that the participant concealed the presence of the Undisclosed Household Member. The concealment date is the earliest of:
 - 1) Date in which recipient and/or Undisclosed Household Member purchased the WMS address;
 - 2) Undisclosed Household Member married the participant, or,
 - 3) Date of the birth of the participant's first child with the Undisclosed Household Member.

10. Obtaining all bank records referenced on the participant's WMS RFI screen:

- It can be difficult to find and prove where an Undisclosed Household Member had previously been residing. The Investigator resorts to the BFI Bank Liaison to obtain bank records for both, the participant and Undisclosed Household Member. Documenting regular deposits would allow the DA to prosecute the case based solely on unreported income. Cases referred to the DA must include bank records.





Substantiated cases

- **Case Closing**- Participant does not appear/ does not clear self of allegations.
- **Intentional Program Violation**- Referred for IPV hearing, also known as Administrative Disqualification Hearing. Proof standard “Clear and convincing evidence” shows that participant knowingly and intentionally violated program guidelines. Leads to recoupments.
- **Referral to DA**- Intentional program violation has persisted over time and the dollar amount is over an established threshold for prosecution [REDACTED] [REDACTED] Proof standard is “Beyond a reasonable doubt”. Leads to a criminal trial.

- **Referral for Civil Litigation**- A program violation has been committed but there is no overwhelming evidence or does not meet dollar threshold. Proof standard is “preponderance of evidence,” or, “more likely than not” that the participant was aware of the infraction. Leads to a money recovery.

Unsubstantiated cases

In the course of the preliminary documentary review, the Investigator may determine that the Undisclosed Household Member does not reside with the participant and that the allegation cannot be substantiated. Investigator enters “Unsubstantiated” disposition in IRIS to end the investigation and clear the recipient of the allegation.

[REDACTED]

Attachment 1
New Process for Investigations Involving Social Media (IREA Inf. 2012-05)

**INVESTIGATION, REVENUE AND ENFORCEMENT
ADMINISTRATION**

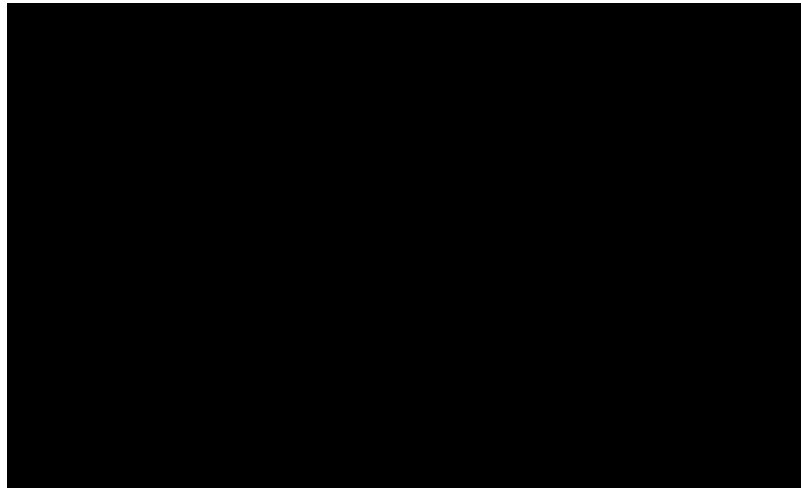
Management Analysis, Planning and Program Support

Issued:
August 1, 2012

INFORMATIONAL 2012-05


NEW PROCESS FOR INVESTIGATIONS INVOLVING SOCIAL MEDIA

- Policy** Two supervisors from PDF and MCFD will have access to Facebook to investigate recipients for fraud. These investigators should follow the protocol listed below.
- Audience** All BFI Investigative Staff.
- Previous Process** In the past, BFI has not been formally allowed to investigate fraud cases using Facebook.
- New Process** Two supervisors will now have access to Facebook on their computers to investigate fraud cases. These investigations should follow the guidelines below:



Attachment 2 Payroll Inquiry Form (BFI-130)

BFI-130 08/22/2012



NYC
Human Resources
Administration
Department of
Social Services

INVESTIGATION REVENUE AND
ENFORCEMENT ADMINISTRATION
BUREAU OF FRAUD INVESTIGATION
250 CHURCH STREET, 3rd FLOOR, NY, NY 10013

Date:
Case Name:
Case Number:

PAYROLL INQUIRY FORM

Subject Name

Address

Social Security Number

According to the information we have received, _____ is/was in your employ. Please provide us with the information requested below, and return this form in the enclosed envelope.

Abstract of Section 143 of the N.Y. State Social Services Law

Employers are required to furnish to the N.Y.C. Department of Social Services information concerning wages, salaries, earnings or other income of any applicant for, or recipient of public assistance, or any relative legally responsible for the support of such applicant or recipient.

Very truly yours,

Special Investigator (Telephone) _____

REMARKS:

Employee's name			Maiden name		Social Security No.				
Home Address				Date of Birth		Home Telephone No.			
City	State	Zip	Date of employment From To		CETA employee? <input type="checkbox"/> No <input type="checkbox"/> Yes CETA start date				
Civil Service or Job Title			Name of Medical/Hospitalization Insurance Carrier			Policy Number			
Work Location (street address)				Work Location Telephone No.			Union		
Name, address, and telephone number to contact for emergency									

PLEASE PROVIDE THE PERSONNEL FOLDER INCLUDING THE EMPLOYMENT APPLICATION AND W-4 FORMS

IN LIEU OF COMPLETING THE BOTTOM PORTION OF THIS FORM YOU MAY ATTACH A PHOTOCOPY OF THE PAYROLL RECORD FOR THE PERIOD IN QUESTION IF IT PROVIDES THE SAME INFORMATION REQUESTED BELOW.

PLEASE PROVIDE PAYCHECK BY PAYCHECK INFORMATION FOR THE PERIOD _____ TO _____.

DATE OF CHECK	GROSS AMOUNT OF CHECK	FEDERAL TAX	STATE TAX	CITY TAX	FICA	HEALTH INS.	UNION DUES	PENSION	OTHER (specify)

SIGNATURE	TITLE	PHONE	DATE

**Attachment 3
SNAP Call-in Letter (BFI-100)**

BFI-100 (E) 08/06/2013



**INVESTIGATION, REVENUE AND ENFORCEMENT ADMINISTRATION
BUREAU OF FRAUD INVESTIGATION
250 CHURCH STREET, 3rd FLOOR
NEW YORK, NY 10013**

_____, _____

_____, _____

Date: _____

Case No. _____

Dear _____ :

This office is conducting an investigation concerning your eligibility for Supplemental Nutrition Assistance Program (SNAP) benefits. An interview has been scheduled for you to discuss this matter on:

Date: _____

Time: _____

Address: 250 Church Street, 3rd Floor, New York, NY 10013

If for any reason you cannot appear at the time and place shown above, please call Investigator _____ at telephone # (_____) _____

Please bring your Photo ID card, this letter, and the following document (s) :

Insert item

Yours truly,

BUREAU OF FRAUD INVESTIGATION

Investigator _____

Signature

IMPORTANT NOTICE

You may bring an attorney and/or other representatives with you. If you cannot afford an attorney, you may seek free legal representation at a legal services or legal aid office. You may answer questions or choose not to answer. If you do not answer questions, your Supplemental Nutrition Assistance Program (SNAP) benefits cannot be stopped or reduced solely because you do not answer.

TRAVEL INSTRUCTIONS

Train : 1 to Franklin Street; A, C, E, to Canal Street; A, E, 2 & 3 to Chambers Street.

Office is located between Leonard and Franklin Streets.

Attachment 5 SNAP Installment Note (BFI-40A)

BFI-40A 11/20/2012



INVESTIGATION REVENUE AND
ENFORCEMENT ADMINISTRATION
BUREAU OF FRAUD INVESTIGATION
250 CHURCH STREET, 3rd FLOOR
NEW YORK, N.Y. 10013

INSTALLMENT NOTE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

250 Church Street, 3rd Fl
New York, N.Y. 10013

151 West Broadway, 7th Fl
New York, N.Y. 10013

Date: _____, 20 _____

_____, the undersigned herein, hereby acknowledges and admits his/her indebtedness to the Department of Social Services of the City of New York (hereinafter "the Department") in the amount of _____ dollars (\$ _____) for SNAP benefits incorrectly received during the period from _____ to _____ which, by law, must be repaid, and does hereby promise to repay such amount to the order of the "Department" in full satisfaction of said indebtedness.

HRA hereby certifies that _____ has paid \$ _____ and agrees to pay the balance of \$ _____ in the form of monthly installment payments commencing on the _____ day of _____, 20 _____ the payment of _____ dollars (\$ _____) and thereafter continuing to be paid on the _____ day of each and every succeeding month, the like sum of _____ Dollars (\$ _____) until the entire sum is repaid, except that the final installment may be in a lesser sum which shall constitute the balance due hereunder.

Payment shall be made in the form of a certified check, bank check, cashier's check or money order payable to:

New York City Department of Social Services
Division of Accounts Receivable and Billing
180 Water Street, 9th Fl., New York, NY 10038

or at such other place as the Department may designate in writing to the undersigned, at the address which follows:

The Division of Accounts Receivable and Billing (DARB) will send a monthly billing invoice to you. Please include the invoice with your payment. If you do not use the invoice, your payment may not be credited correctly. If you do not receive an invoice contact DARB at: 212-331-3826 or 212-331-3828.

The Department agrees not to take further action herein so long as the undersigned makes timely payments. In the event of any default of failure to pay any installment when due which continues for a period of more than fifteen (15) days after written notice thereof, by ordinary mail, to the undersigned at the address designated herein, or to such other address as the undersigned shall have previously provided in writing to the Department, the entire balance then remaining unpaid shall immediately become due and payable without further notice to the undersigned.

The Department may exercise this right regardless of any prior forbearance on its part in connection with any prior default or failure to pay by the undersigned.

Acceptance by the Department of any payment after only one date shall not be construed as a waiver of the obligation of the undersigned to timely pay any other installment when due.

The undersigned further acknowledges that (s)he fully understands the terms and conditions set forth herein, and with such knowledge, is executing this Installment Note freely and voluntarily.

This Installment Note may not be changed, altered, amended or modified except in writing and signed by the Department and the undersigned.

NAME: _____

SIGNATURE: _____

Attachment 7 Medicaid Installment Note (BFI-40B)

BFI-40B 11/20/2012



INVESTIGATION REVENUE AND ENFORCEMENT ADMINISTRATION
BUREAU OF FRAUD INVESTIGATION
250 CHURCH STREET, 3RD FLOOR
NEW YORK, N.Y. 10013

INSTALLMENT NOTE MEDICAID

- 250 Church Street, 3rd Fl
New York, N.Y. 10013
- 151 West Broadway, 7th Fl
New York, N.Y. 10013

Date: _____, 20 _____

_____, the undersigned herein, hereby acknowledges and admits his/her indebtedness to the Department of Social Services of the City of New York (hereinafter "the Department") in the amount of _____ dollars (\$ _____) for Medicaid Assistance incorrectly received during the period from _____ to _____ which, by law, must be repaid, and does hereby promise to repay such amount to the order of the "Department" in full satisfaction of said indebtedness.

HRA hereby certifies that _____ has paid \$ _____ and agrees to pay the balance of \$ _____ in the form of monthly installment payments commencing on the _____ day of _____, 20 _____ the payment of _____ dollars (\$ _____) and thereafter continuing to be paid on the _____ day of each and every succeeding month, the like sum of _____ Dollars (\$ _____) until the entire sum is repaid, except that the final installment may be in a lesser sum which shall constitute the balance due hereunder.

Payment shall be made in the form of a certified check, bank check, cashier's check or money order payable to:

New York City Department of Social Services
Division of Accounts Receivable and Billing
180 Water Street, 9th Fl, New York, NY 10038

or at such other place as the Department may designate in writing to the undersigned, at the address which follows:

The Division of Accounts Receivable and Billing (DARB) will send a monthly billing invoice to you. Please include the invoice with your payment. If you do not use the invoice, your payment may not be credited correctly. If you do not receive an invoice contact DARB at: 212-331-3826 or 212-331-3828.

The Department agrees not to take further action herein so long as the undersigned makes timely payments. In the event of any default of failure to pay any installment when due which continues for a period of more than fifteen (15) days after written notice thereof, by ordinary mail, to the undersigned at the address designated herein, or to such other address as the undersigned shall have previously provided in writing to the Department, the entire balance then remaining unpaid shall immediately become due and payable without further notice to the undersigned.

The Department may exercise this right regardless of any prior forbearance on its part in connection with any prior default or failure to pay by the undersigned.

Acceptance by the Department of any payment after only one date shall not be construed as a waiver of the obligation of the undersigned to timely pay any other installment when due.

The undersigned further acknowledges that (s)he fully understands the terms and conditions set forth herein, and with such knowledge, is executing this Installment Note freely and voluntarily.

This Installment Note may not be changed, altered, amended or modified except in writing and signed by the Department and the undersigned.

NAME: _____
SIGNATURE: _____
ADDRESS: _____
SOCIAL SECURITY NUMBER (LAST 4 DIGITS): XXX-XX-_____

(STATE OF NEW YORK) }
: SS:
(COUNTY OF NEW YORK) }

On this _____ day of _____, 20 _____, before me personally came _____ to me personally known and known to me to be the person described in and who executed the foregoing instrument, and (s) he duly acknowledged that (s) he executed the same.

NOTARY PUBLIC

Attachment 8 Cash Assistance Installment Note (BFI-40)

BFI-40 11/20/2012



INVESTIGATION REVENUE AND
ENFORCEMENT ADMINISTRATION
BUREAU OF FRAUD INVESTIGATION
250 CHURCH STREET, 3RD FLOOR
NEW YORK, N.Y. 10013

INSTALLMENT NOTE CASH ASSISTANCE

250 Church Street, 3rd Fl
New York, N.Y. 10013

151 West Broadway, 7th Fl
New York, N.Y. 10013

Date: _____, 20 _____

_____, the undersigned herein, hereby acknowledges and admits his/her indebtedness to the Department of Social Services of the City of New York (hereinafter "the Department") in the amount of _____ dollars (\$ _____) for Cash Assistance incorrectly received during the period from _____ to _____ which, by law, must be repaid, and does hereby promise to repay such amount to the order of the "Department" in full satisfaction of said indebtedness.

HRA hereby certifies that _____ has paid \$ _____ and agrees to pay the balance of \$ _____ in the form of monthly installment payments commencing on the _____ day of _____, 20 _____ the payment of _____ dollars (\$ _____) and thereafter continuing to be paid on the _____ day of each and every succeeding month, the like sum of _____ Dollars (\$ _____) until the entire sum is repaid, except that the final installment may be in a lesser sum which shall constitute the balance due hereunder.

Payment shall be made in the form of a certified check, bank check, cashier's check or money order payable to:

New York City Department of Social Services
Division of Accounts Receivable and Billing
180 Water Street, 9th Fl, New York, NY 10038

or at such other place as the Department may designate in writing to the undersigned, at the address which follows:

The Division of Accounts Receivable and Billing (DARB) will send a monthly billing invoice to you. Please include the invoice with your payment. If you do not use the invoice, your payment may not be credited correctly. If you do not receive an invoice contact DARB at: 212-331-3826 or 212-331-3828.

The Department agrees not to take further action herein so long as the undersigned makes timely payments. In the event of any default of failure to pay any installment when due which continues for a period of more than fifteen (15) days after written notice thereof, by ordinary mail, to the undersigned at the address designated herein, or to such other address as the undersigned shall have previously provided in writing to the Department, the entire balance then remaining unpaid shall immediately become due and payable without further notice to the undersigned.

The Department may exercise this right regardless of any prior forbearance on its part in connection with any prior default or failure to pay by the undersigned.

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The undersigned further acknowledges that (s)he fully understands the terms and conditions set forth herein, and with such knowledge, is executing this Installment Note freely and voluntarily.

This Installment Note may not be changed, altered, amended or modified except in writing and signed by the Department and the undersigned.

NAME: _____
SIGNATURE: _____
ADDRESS: _____

SOCIAL SECURITY NUMBER (LAST 4 DIGITS): XXX-XX- _____

(STATE OF NEW YORK) }

: SS:

(COUNTY OF NEW YORK) }

On this _____ day of _____, 20 _____, before me personally came _____ to me personally known and known to me to be the person described in and who executed the foregoing instrument, and (s) he duly acknowledged that (s) he executed the same.

NOTARY PUBLIC