



**BUREAU OF FRAUD INVESTIGATION  
OMIG CLIENT FRAUD PROCEDURE  
(Project 450)**

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**Prepared by:**

**Office of Program Accountability**

**Investigation, Revenue and  
Enforcement Administration**

**PROCEDURE NOTE:**

This supersedes any and all prior versions, documents and guidelines issues pertaining to this subject matter. The following procedure is intended to be a confidential document prepared exclusively for use and review by IREA employees. The purpose of this procedure (including any modifications) is to provide support and guidance to Investigations, Revenue, and Enforcement Administration (IREA) staff. Nothing in this procedure is intended to create or does create any enforceable rights, remedies, entitlements, or obligations. IREA reserves the right to change or suspend any or all parts of this procedure at any time.

For staff handling investigation into IREA/BFI matters, the purpose of the aforementioned material is to facilitate the workflow and establish guidelines that can be applied fairly to all our clients. Be advised that real life cases dictate the process of investigations and it is expected that there will be reasonable deviations from the printed guidelines. Given the nature of the work performed by HRA, it is unlikely that any two cases would be identical. We have to be responsive to individuals who seek our services and take into account individual circumstances. Accordingly, the investigators under management supervision may have to exercise discretion to ensure that proper determinations are made. These guidelines are not intended to prevent review, limit discussion, or predetermine the path of investigation of individual cases.

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**AUDIENCE**

This procedure is intended for all Bureau of Fraud Investigation (BFI) staff.

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**POLICY**

The Human Resources Administration (HRA) oversees the provision of Medical Assistance (MA) benefits to eligible individuals or families residing within the five boroughs of New York City. BFI examines complaints of fraud taking place in the MA Program.

This procedure describes the BFI process aimed at halting the improper or illegal redemption of MA benefits. BFI investigates allegations of MA fraud received from the NYS Office of the Medicaid Inspector General (OMIG).

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**BACKGROUND**

Project 450 cases are Client cases referred to BFI by OMIG. Each month, OMIG forwards allegations against MA Clients to Investigation, Revenue and Enforcement Administration (IREA) Systems by messenger. IREA Systems formats the data and forwards it to the Office of Program Accountability Support (OPAS) Data Analytics Reporting and Triage (DART) for triaging. DART assigns all cases a control number for tracking purposes.

IREA Systems:

- Ensures the cases are not duplicates of current or recent investigations;
- Inputs the accepted cases into the Investigative Reporting Information System (IRIS); and
- Assigns the cases to BFI Supervisors for investigation.

The BFI Supervisors assign the cases to Investigators as available.

Cases are opened in IRIS under Project 450. The purpose of Project 450 cases is to:

- Obtain information concerning fraud schemes the Client is either aware of, or has participated in;
- Interview the referred Client;
- Recommend actions, referrals or dispositions; and
- Report findings to stakeholders.

**See Investigative Review section below**

Based on the investigative findings, the case may be referred to another HRA division for further investigation.

OMIG assigns completion deadlines for all Client referrals sent to BFI. It is the responsibility of the BFI Supervisor to ensure that cases received from OMIG are expeditiously processed for further vetting by staff. Supervisory staff and assigned Investigators are responsible for completing cases by OMIG's due date.

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**REQUIRED ACTION**

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**External Clearances**

BFI Investigators for Project 450 cases review these cases for data elements, including:

- Payroll;
- Bank records;
- Certified deeds; and
- Any certifications received that are relevant to the case.

**Internal Clearances**

- Welfare Management System (WMS);
- Resource File Integration (RFI);
- Clinical Data Registry (CDR);
- HRA OneViewer
- eMedNY (website); and
- SOLQ, Social Media, TALX, DMV.

The Investigator promptly prints the WMS clearances, CDR and RFI information for each Project 450 investigation.

**Investigative Review**

The Investigator may arrive at several possible findings and dispositions as a result of a Project 450 investigation. The first three findings (1-3) described below are the main dispositions sought after by Investigators:

- 1) Finding: Investigation determines the Client was not entitled to Medicaid but, due to evidentiary issues or claim amounts, the case is not sufficient to be sent for criminal prosecution. An example of this is the Client under-reported their actual income, i.e., Client informed the agency of their employment, but it is not accurate.

Action: Staff must:

- obtain the Client’s applications and recertification; and next,
- obtain the Client’s payroll by submitting the Payroll Inquiry Form (**BFI-130**), either in person or via US Postal Service.

Once staff obtains the payroll and any other evidence:

- a) The claim is determined;
- b) The Client is sent a Call-in Letter (**IREA-125**) and presented with the claim; and
- c) [REDACTED]

Possible Disposition(s): Voluntary Recovery – [REDACTED]  
[REDACTED]  
[REDACTED]

Form BFI-130



\*Similar dispositions are offered for cases that involve banks and/or property. The major difference is evidence:

- With issues such as under-reporting employment, the agency deals with payroll; whereas
- With unreported resources or property, the agency deals with bank records, deeds/mortgages, etc.

2) Finding: The Client and the agency do not agree upon the claim, or the Client is unable to make payments on the entire claim. When this occurs, the agency has no recourse other than to submit the case to civil litigation.

Action: Staff obtains all the evidence required by the Civil Remedies Unit (CRU). The case is packaged, reviewed and hand-delivered to the CRU.

Possible Disposition: Civil Litigation.

3) Finding: The Investigator determines the claim amount is substantial and/or the Client made a deliberate act to defraud the agency. For example, the Client claims they are unemployed, submits applications and recertifications stating the same. However, the Client is employed and



Action: A standard investigation is conducted. Evidence is gathered, e.g. payroll, bank records, property records, interviewing witnesses.

. The case is packaged and reviewed.



Whether a statement is obtained or not, the case is hand-delivered to the Prosecution Unit, which in turn presents the case to the local prosecutor. The case is referred to the District Attorney's Office (DA).

Possible Disposition(s): Prosecution, or referral to the Medical Insurance and Community Services Administration (MICSA) for case re-evaluation.

Other findings (4-6) also occur frequently:

4) Finding: Evidence does not exist to support any of the above findings. However, the agency does have sufficient cause to submit the case to MICSA for re-evaluation.

Action: Staff gathers supporting documentation, e.g., a copy of the Call-in Letter (**IREA-125**) for re-evaluation of the case due to failure to appear, and scans it into a folder in HRA OneViewer to which MICSA has access.

Possible Disposition(s): Referral to MICSA for case re-evaluation for closing.\*\*

\*\*Dispositions of this type can also be used in conjunction with any of the above, or when a Client requests that the case be closed.

Form IREA-125





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**REFERENCES**

**NYS Social Services Law**, Sections 366 a, b, d and f  
**18 NYCRR 348**  
**18 NYCRR 359.4**

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**RELATED ITEM**

**2014-24-IREA** IREA Interpreter Services Procedure for Limited English Proficiency (LEP) Applicants/Recipients  
**FIA PD #14-18-OPE** Revisions to Servicing Hearing-Impaired Applicants and Participants  
**FIA PD #14-24-OPE** Servicing Limited English Proficient (LEP) Individuals

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**ATTACHMENTS**

**BFI-130** Payroll Inquiry Form  
**IREA-125** Call-in Letter