



# FAMILY INDEPENDENCE ADMINISTRATION

Matthew Brune, Executive Deputy Commissioner



James K. Whelan, Deputy Commissioner  
Policy, Procedures, and Training

Stephen Fisher, Assistant Deputy Commissioner  
Office of Procedures

## POLICY DIRECTIVE #12-12-OPE

*(This Policy Directive Replaces PD #11-26-OPE)*

### FRAUD REFERRALS TO BFI

<b>Date:</b> April 27, 2012	<b>Subtopic(s):</b> BFI
<b>AUDIENCE</b>	This policy directive is for Job Center and Non Cash Assistance Food Stamp (NCA FS) Center staff and is informational for all others.
<b>REVISIONS TO THE PRIOR DIRECTIVE</b>	<p>This policy directive has been revised to inform staff that:</p> <ul style="list-style-type: none"> <li>• The process to include supervisory review of referrals sent to the Bureau of Fraud Investigation (BFI) has been eliminated.</li> <li>• The BFI Fraud Referral Log (<b>W-400B</b>) which was created to allow supervisors to maintain a log of the referrals sent to BFI has been obsoleted.</li> <li>• Referrals to BFI are also made by staff in FIA support programs.</li> <li>• The automated referral to report suspected fraudulent activity to BFI can now be accessed on the HRA Intranet home page.</li> </ul>
<b>POLICY</b>	Social service agencies are required to implement measures that are designed to prevent, detect, and report fraud. Fraud is the willful intent to misrepresent, conceal, or withhold facts for the purpose of obtaining social service benefits. In the Human Resources Administration (HRA), the Bureau of Fraud Investigation (BFI) investigates complaints of Cash Assistance (CA), Food Stamp (FS), and Medical Assistance (MA) fraud received from participants, staff, and other persons.
<b>BACKGROUND</b>	Workers in Job Centers and NCA FS Centers are required to report all suspected fraudulent activity on the part of any CA or NCA FS applicant/participant to BFI.

HAVE QUESTIONS ABOUT THIS PROCEDURE?  
Call 718-557-1313 then press 3 at the prompt followed by 1 or  
send an e-mail to *FIA Call Center Fax* or fax to: (917) 639-0298

**REQUIRED ACTION**

Whenever a Worker in a Job Center or an NCA FS Center believes that a CA or NCA FS applicant/participant has misrepresented or concealed their income, resources, or household composition to obtain benefits they would not have otherwise been eligible for, he/she must:

- obtain copies of all questionable documents or information;
- scan all non-Paperless Office System (POS) generated forms and notices that are signed by the individual and all documents received from other program areas (except domestic violence related documents) into the electronic case record;
- make an entry in the applicant/participant’s case record.

The Worker must **not**:

- inform the applicant/participant that suspected fraudulent activity may be referred to BFI;
- refer recoupments resulting from an untimely report of new income, a change in income, or changes in household composition to BFI.

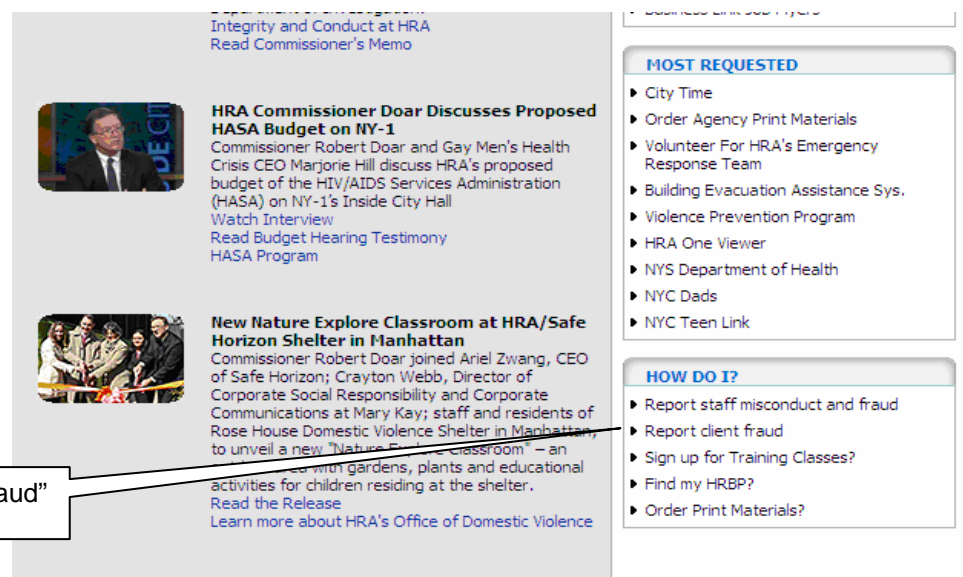
New information

In addition to staff at Job Centers and NCA FS Centers, there are various support programs in the Family Independence Administration (FIA) whose staff also make referrals to BFI.

Using the Automated Referral to BFI on the HRA Intranet

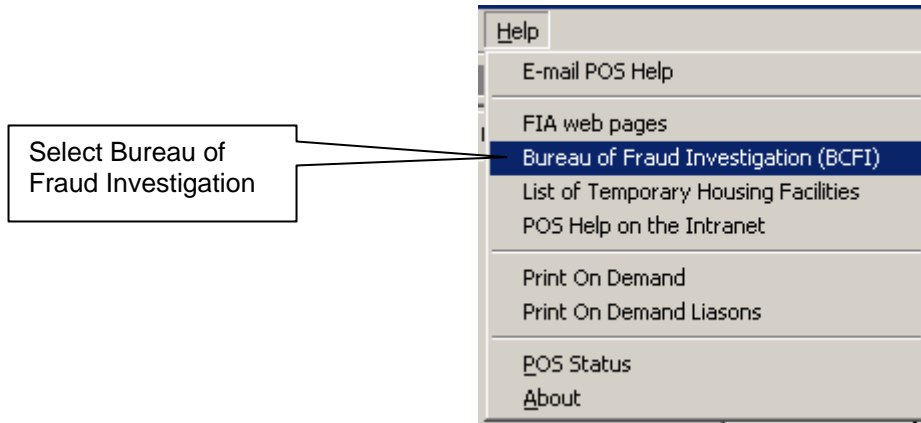
Automated referral to BFI

To make a fraud referral to BFI the Worker must access the HRA Intranet home page and select Report client fraud.



Using the Automated Referral to BFI from POS

In POS, the Worker may use Bureau of Fraud Investigation option on the **Help** menu to bring up the automated referral in an Internet Explorer window.



Whether accessing the automated referral from the HRA Intranet or from POS, the form screen will open.

Referral to Bureau of Fraud Investigation

- At the top of the form, enter the name, address, and work telephone number of the person making the referral.
- If the complaint is coming from a Job Center or an NCA FS Center, be sure to enter the Center number.

- In the next section, enter information about the individual suspected of fraud, such as his/her:
  - last and first name;
  - case category (if there is one);
  - case number and suffix number; and
  - Social Security Number.
  
- Click to add a check mark describing the type of suspected fraud. The fraud options include:
  - Unreported employment;
  - Unreported person(s) in the household with income;
  - Unreported resources;
  - Not living at address of record;
  - Questionable documents;
  - Prescription drug fraud;
  - Discounting Food Stamp benefits with the EBT card; and
  - Other (including fraud perpetrated against the participant).

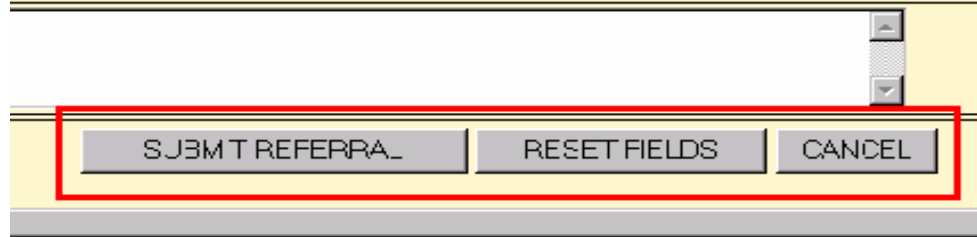
<input type="checkbox"/> <b>UNREPORTED EMPLOYMENT</b>			<input type="checkbox"/> <b>ON BOOKS</b>			<input type="checkbox"/> <b>OF</b>			
Employer Name and Address									
Employment Period:	from						to		
<input type="checkbox"/> <b>UNREPORTED PERSON IN HOUSEHOLD</b>									
Last Name:							First Name:		
<input type="checkbox"/> <b>UNREPORTED RESOURCES</b>									


- Enter as much information as possible for the chosen fraud option in the space provided under the checkbox.

If there are scanned documents relevant to the fraud referral in the electronic case record, fax them to the BFI Intake & Tracking Control Division at 212-274-5612. Include the case name, case number, Center name and number, Worker telephone number, and a list of the documents that are being faxed.

- After electronically completing the referral, review the information and choose one of the options listed at the bottom of the screen by selecting the appropriate button:
  - Submit Referral;
  - Reset Fields; or
  - Cancel.

Submit Referral, Reset Fields, and Cancel options.



- Once the referral to BFI has been submitted, an entry in the applicant/participant's case record indicating that the referral has been made and the reason for the referral must be made.
- Entries to the electronic case record made through POS are done by clicking on the case comments icon  or typing <ALT>M on the keyboard.
- If the automated referral system is unavailable for more than 24 hours, complete the paper copy of the Referral to Bureau of Fraud Investigation (**BFI-105**) and forward it to the Investigation, Revenue and Enforcement Administration, Bureau of Fraud Investigation, Intake Tracking and Control Unit, 3rd Floor 250 Church Street, New York, NY 10013.

**Note:** If fraud is established as a result of this referral, refer to PD #00-18R Intentional Program Violations.

**PROGRAM IMPLICATIONS**

Paperless Office System (POS) Implications

The referral to Bureau of Fraud Investigation can be accessed through POS.

Food Stamp Implications

Food Stamp cases must not be referred to BFI when a participant fails to report information or changes he/she is not required to report under Food Stamp program rules. For example, an employed Food Stamp participant subject to Food Stamp six-month reporting rules has an increase in earned income. Unless the total household income exceeds 130 percent of the Federal Poverty Level for their household size, the participant is not required to report the increased earnings until recertification or at the six-month contact.

Medicaid Implications

There are no Medicaid implications.

## LIMITED ENGLISH PROFICIENT (LEP) AND HEARING IMPAIRED IMPLICATIONS

For Limited English Proficient and hearing-impaired applicants and participants, make sure to obtain appropriate interpreter services in accordance with [PD #11-33-OPE](#) and [PD #08-20-OPE](#).

---

## FAIR HEARING IMPLICATIONS

### Avoidance/Resolution

Ensure that all case actions are processed in accordance with current procedures and that electronic case files are kept up to date. Remember that applicants/participants must receive either adequate or timely and adequate notification of all actions taken on their case.

### Conferences at Job Centers

An applicant/participant can request and receive a conference with a Fair Hearing and Conference (FH&C) AJOS I/Supervisor I at any time. If an applicant/participant comes to the Job Center requesting a conference, the Receptionist must alert the FH&C Unit that the individual is waiting to be seen. In Model Offices, the Receptionist at Main Reception will issue an FH&C ticket to the applicant/participant to route him/her to the FH&C Unit and does not need to verbally alert the FH&C Unit staff.

The FH&C AJOS I/Supervisor I will listen to and evaluate any material presented by the applicant/participant, review the case file, and discuss the issue(s) with the JOS/Worker responsible for the case and/or JOS/Worker's Supervisor. The AJOS I/Supervisor I will explain the reason for the Agency's action(s) to the applicant/participant.

If the determination is that the applicant/participant has presented good cause for the infraction or that the outstanding Notice of Intent needs to be withdrawn for other reasons, the FH&C AJOS I/Supervisor I will settle in conference (SIC), enter detailed case notes in NYCWAY, and forward all verifying documentation submitted by the applicant/participant to the appropriate JOS/Worker for corrective action to be taken. In addition, if the adverse case action still shows on the "Pending" (08) screen in WMS, the AJOS I/Supervisor I must prepare and submit a Fair Hearing/Case Update Data Entry Form ([LDSS-3722](#)), change the 02 to 01 if the case has been granted Aid to Continue (ATC), or prepare and submit a PA Recoupment Data Entry Form ([LDSS-3573](#)) to delete a Recoupment. The AJOS I/Supervisor I must complete a Conference Report ([M-186a](#)).

If the determination is that the applicant/participant has not shown good cause for the infraction or that the Agency’s action(s) should stand, the AJOS/Supervisor I will explain to the applicant/participant why he/she cannot SIC. The AJOS/Supervisor I must complete Form **M-186a**.

Conferences at Food Stamp Centers

If an applicant/participant comes to the Food Stamp Center and requests a conference, the Receptionist must alert the MPU Supervisor that the applicant/participant is to be seen. If the applicant/participant contacts the Eligibility Specialist directly, advise the applicant/participant to call the Supervisor in MPU. In Model Centers, the Front Door Receptionist will issue an NCA General ticket to the applicant/participant to route him/her to the Non Cash Assistance (NCA) reception area. Designated staff in the reception area will issue a FS Conf/Appt/Problem ticket and contact the MPU Supervisor that the applicant participant will be seen.

The MPU supervisor will listen to and evaluate the applicant’s/participant’s complaint regarding the case closing. The applicant/participant must provide current verification of address to resolve the issue. After reviewing the documentation, case record and discussing the issue with the Group Supervisor/Eligibility Specialist, the MPU supervisor will make a decision. The MPU supervisor will decide to resolve or defend the case based on all factors and on whether the case was closed correctly. The MPU supervisor is responsible for ensuring that further appeal by the applicant/participant through a Fair Hearing request is properly controlled and that appropriate follow-up action is taken in all phases of the Fair Hearing process.

Telephone Conferences for the Homebound

Individuals who submit satisfactory documentation demonstrating their homebound status may request that a Fair Hearing be conducted over the telephone. In this instance the process is the same as a conference held at a Job Center or NCA FS Center, but documents are faxed to the FH&C Unit/MPU unit or brought to the Center by someone representing the individual.

Evidence Packets

All evidence packets must contain a copy of the electronic referral to BFI and copies of all documents relevant to support the Agency’s action.

---


**REFERENCES**

18 NYCRR 348.1-348.6  
 SSL 145

**RELATED ITEM**      [PD #00-18-R](#)

---

**ATTACHMENTS**

 Please use Print on Demand to obtain copies of forms.

**BFI-105**  
**W-400B**

Referral to Bureau of Fraud Investigation  
BFI Fraud Referral Log (Obsolete)



# **REFERRAL to BUREAU OF FRAUD INVESTIGATION**

Fraud Hotline (212) 274-5030 Fax # (212) 274-5612

**WELFARE FRAUD IS DEFINED AS THE INTENTIONAL MISREPRESENTATION, CONCEALMENT OR NONDISCLOSURE OF MATERIAL FACTS AFFECTING ELIGIBILITY TO RECEIVE SOCIAL SERVICE BENEFITS.**

TO: **INVESTIGATION, REVENUE AND ENFORCEMENT ADMINISTRATION, BUREAU OF FRAUD INVESTIGATION  
INTAKE UNIT, 250 CHURCH STREET, NEW YORK, NY 10013, 3<sup>rd</sup> FLOOR**

FROM: (Last name) \_\_\_\_\_ (First name): \_\_\_\_\_ DATE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ (If HRA, Ctr. #): \_\_\_\_\_ PHONE: \_\_\_\_\_

**PLEASE PROVIDE SPECIFICS ABOUT THE UNCOVERED/SUSPECTED FRAUD IN THE APPROPRIATE SECTION(S) BELOW AND ATTACH COPIES OF ALL RELEVANT DOCUMENTS. PLEASE PRINT ALL INFORMATION**

Participant's Name (Last) \_\_\_\_\_ (First) \_\_\_\_\_

Category, Case Number/Suffix \_\_\_\_\_ SSN \_\_\_\_\_

**UNREPORTED EMPLOYMENT Type:**  On Books  Off Books  Self-Employed

Employer Name and Address \_\_\_\_\_

**UNREPORTED PERSON IN HOUSEHOLD**

Last Name \_\_\_\_\_ First \_\_\_\_\_ Relationship to Participant \_\_\_\_\_

**UNREPORTED RESOURCES** Give Name/Address of Financial Institution, amount, and account # if known: \_\_\_\_\_

**NOT LIVING AT ADDRESS OF RECORD** Give actual home address if known: \_\_\_\_\_

**QUESTIONABLE DOCUMENT(S)** Give type of document and reason it is questionable: \_\_\_\_\_

**PRESCRIPTION DRUG FRAUD (OBTAINING DRUGS WITH FALSE PRESCRIPTIONS)**

Detail: \_\_\_\_\_

**CHILD CARE PROVIDER NOT PROVIDING SERVICE (BABY SITTING)**

Name of parent: \_\_\_\_\_ Address: \_\_\_\_\_

Name of babysitter: \_\_\_\_\_ Address: \_\_\_\_\_

**ELECTRONIC BENEFITS TRANSFER (DISCOUNTING FOOD STAMP BENEFITS WITH THE EBT CARD)**

Detail: \_\_\_\_\_

**OTHER (Including Fraud perpetrated against Participant):** \_\_\_\_\_

**DETAILS** Describe how Fraud was uncovered. Indicate any actions taken.  
\_\_\_\_\_

**USE REVERSE SIDE IF NECESSARY**

Job Center: \_\_\_\_\_

NCA Food Stamp Center: \_\_\_\_\_

### BFI Fraud Referral Log

Date of Referral	Case Number	Applicant's/Participant's Name	Referred by/Title
