

Program integrity: Stronger oversight, more focus on fraud

Minnesota strengthened its commitment to human services program integrity in the 2019 legislative session. New investments will allow the state to improve oversight of essential programs, while intensifying the focus on finding, stopping and preventing fraud. DHS gained more capacity to take action against fraud in the Child Care Assistance Program and health care. Increased grants will help counties expand investigations of fraud across various programs. Changes will improve oversight of nonemergency medical transportation providers and child care centers. The state will help personal care and home health care providers move toward adopting electronic systems to verify visits, an important step to safeguard public resources.

2019 legislation

Child Care Assistance Program. More inspections and monitoring of child care centers, enhanced record-keeping and overpayment requirements, and planning for future improvements in program integrity will improve oversight of the Child Care Assistance Program. Eight new licensing staff will help inspect child care centers more frequently, with quarterly visits for new centers, centers with conditional status and out-of-compliance centers. New resources will increase data analysis to focus investigative resources where the risk of fraud is highest and add capacity to pursue criminal investigations of fraud. Penalties were increased for child care providers misusing funds or engaging in fraud. Planning will begin for electronic attendance and billing. *FY 2020-21: Net cost of \$460,000.*

Nonemergency medical transportation. Stronger oversight and other changes will improve program integrity for nonemergency medical transportation. The state will contract with a vendor to perform ongoing audits of transportation providers, including the review of driver documentation and confirmation of medical appointments and distances traveled. DHS will enroll individual providers to ensure they meet program requirements, gaining the ability to take action against individual drivers rather than entire companies. The changes also allow the state to recover overpayments for unjustified services and protect resources for transportation to and from legitimate medical appointments. *FY 2020-21: Savings of \$904,000.*

Health care program fraud. New funding will increase capacity to investigate health care fraud. Four new investigators will join the Surveillance and Integrity Review Section, which investigates fraud in the Medical Assistance program. The unit will conduct more investigations into more types of health care providers, protecting public resources. *FY 2020-21: Savings of \$250,000.*

County support for fraud prevention. Counties will have more resources to investigate recipient fraud in public programs. More state funding for Fraud Prevention Investigation grants will bring increased federal funding, helping counties hire new fraud investigators. Counties will have access to more technical training and assistance. New resources at DHS will allow monitoring of the grants and provide training for county staff. *FY 2020-21: Savings of \$204,000.*

Electronic Visit Verification. More providers will begin using electronic systems to document services billed to the state. The federal government requires the use of electronic visit verification for personal care providers starting in 2020 and home health care providers beginning in 2023. Minnesota will give providers the option of using their own system or a state-contracted system. Grants will offset the cost for providers who use systems they already use for scheduling, payroll and other business activities. Increased use of electronic visit verification will reduce inappropriate payments while working toward federal compliance. *FY 2020-21: \$908,000.*

Related information

- [DHS 2019 session fact sheets](#)

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