



2021 ASSEMBLY BILL 942

February 2, 2022 - Introduced by Representatives MOSES, BROOKS, CABRAL-GUEVARA, DITTRICH, KNODL, KRUG, KUGLITSCH, SCHRAA and TAUCHEN. Referred to Committee on Public Benefit Reform.

1 **AN ACT to create** 49.842 and 49.843 of the statutes; **relating to:** Requiring a
2 biennial report to the Joint Committee on Finance on the availability of public
3 benefits for certain groups of individuals and duties of the Office of Inspector
4 General in the Department of Health Services.

Analysis by the Legislative Reference Bureau

This bill specifies duties for the Office of the Inspector General and requires that a report be submitted to the Joint Committee on Finance on availability of public benefits for certain specified groups of individuals.

Duties of the Office of the Inspector General

2013 Wisconsin Act 20, which was that session's biennial budget act, created the Office of the Inspector General in the Department of Health Services. This bill requires this Office of the Inspector General to identify and prevent fraud, waste, and abuse in the FoodShare program, the Medical Assistance program, and other public assistance programs that DHS administers. The FoodShare program, also known as the food stamp program and the federal Supplemental Nutrition Assistance Program, provides financial assistance to individuals with limited financial resources for the purchase of food. The Medical Assistance program provides health care services to individuals who have limited financial resources.

The bill requires the Office of the Inspector General to monitor and audit providers to identify and prevent fraud, waste, and abuse and to investigate and track retailer and public assistance recipient fraud. The bill specifies actions that

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the Office of the Inspector General takes to accomplish the functions required in the bill. The bill also requires the Office of the Inspector General to forward cases of alleged fraud to the appropriate officials; operate and maintain a telephone hotline and online portal for the reporting of suspected fraud, waste, and abuse; investigate such reports of fraud, waste, and abuse; submit an annual report to the legislature on its accomplishments, outcomes of recoupments, and referrals for prosecution; and publicly display on an Internet site monthly findings as described in the bill and policies and guidance on procedures for investigating fraud, waste, and abuse. Additionally, the bill requires a state agency that receives a request from the Office of the Inspector General for information relevant to an investigation of fraud, waste, or abuse in a public assistance program to cooperate by providing information the agency has that is responsive to the request.

Report on availability of public benefits

This bill requires the Department of Administration, in consultation with any state agency that is responsible for the administration of a public benefit, to submit by March 15 of each odd-numbered year to the Joint Committee on Finance a report on the number of enrolled individuals in and the availability of public benefits for certain assistance groups who earn 50 percent of the federal poverty line. The report must include, among other items, the availability of all state and federal public benefits related to housing or rental assistance; health or medical assistance; food or nutrition assistance; child care assistance; energy or heating assistance; water or sewer assistance; employment support or training assistance; internet or broadband assistance; and refundable tax credits. The report must also total the value of all benefits available for each of the assistance groups described under the bill and compare the total value of all benefits available plus the assistance group's income to the average income for the same group, the median income for the same group, and the income that the group would make if all adults earned minimum wage for 40 hours of work per week. Under the bill, DOA is required to perform these calculations assuming that each assistance group resides in the City of Milwaukee and then again assuming that each assistance group resides in the City of Wausau. In preparing the report, DOA is also required to assume that every child in each assistance group is attending public school and that no adult in an assistance group has employer-sponsored health insurance. The assistance groups required to be analyzed by the report include a single adult individual; a married adult couple; a single adult parent with two children, one under the age of 6 and the other between the ages of 6 and 17; and a married adult couple with two children, one under the age of 6 and the other between the ages of 6 and 17.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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1 **49.842 Report to joint committee on finance on available public**
2 **benefits. (1) REPORT.** No later than March 15 of each odd-numbered year, the
3 department of administration, in consultation with any state agency that is
4 responsible for the administration of a public benefit, shall submit to the joint
5 committee on finance a report on the number of individuals enrolled in all state and
6 federal public benefits and the availability of all state and federal public benefits for
7 all of the assistance groups under sub. (4).

8 **(2) REPORT REQUIREMENTS.** (a) The department of administration, in
9 consultation with any state agency that is responsible for the administration of a
10 public benefit, shall calculate the benefits available for each assistance group under
11 sub. (4) as if the assistance group resided in the city of Milwaukee, and shall
12 separately calculate the benefits available for each assistance group as if the
13 assistance group resided in the city of Wausau.

14 (b) In preparing the report, the department of administration, in consultation
15 with any state agency that is responsible for the administration of a public benefit,
16 shall assume that every child in an assistance group under sub. (4) is attending a
17 public school.

18 (c) In preparing the report, the department of administration, in consultation
19 with any state agency that is responsible for the administration of a public benefit,
20 shall assume that no adult in an assistance group under sub. (4) has
21 employer-sponsored health insurance.

22 (d) The department of administration, in consultation with any state agency
23 that is responsible for the administration of a public benefit, shall total the value of
24 all benefits available for each of the assistance groups under sub. (4) and shall
25 compare the total value of all benefits available plus the assistance group's income

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1 to the average income of the same group, the median income for the same group, and
2 the income that the group would make if all adults in the group earned the equivalent
3 of the minimum wage for 40 hours of work per week. The department of
4 administration, in consultation with any state agency that is responsible for the
5 administration of a public benefit, shall perform the calculations under this
6 paragraph for both cities under par. (a).

7 (e) The department of administration, in consultation with any state agency
8 that is responsible for the administration of a public benefit, shall report, by county,
9 on the total number of individuals enrolled for each benefit under sub. (3), the
10 average amount of time that individuals are enrolled to receive each benefit under
11 sub. (3), and the average age of individuals enrolled to receive each benefit under sub.
12 (3).

13 **(3) BENEFITS.** The department of administration, in consultation with any state
14 agency that is responsible for the administration of a public benefit, shall include in
15 the report under sub. (1) the availability and enrollment data of all of the following
16 benefits:

17 (a) Any housing or rental assistance, including any subsidized housing through
18 the federal department of housing and urban development.

19 (b) Any health or medical benefits, including Medical Assistance program
20 benefits under subch. IV of ch. 49.

21 (c) Any food or nutrition assistance, including the food stamp program under
22 7 USC 2011 to 2029; the special supplemental nutrition program for women, infants,
23 and children under 42 USC 1786 and the state supplement under s. 253.06; and the
24 federal national school lunch program under 42 USC 1751 et seq.

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1 (d) Any child care assistance, including the Wisconsin Shares child care
2 subsidy under s. 49.155.

3 (e) Any energy or heating assistance, including low-income energy assistance
4 under s. 16.27 and weatherization assistance under s. 16.26.

5 (f) Any water or sewer assistance, including benefits available from the low
6 income household water assistance program under the federal American Rescue
7 Plan Act of 2021, P.L. 117-2.

8 (g) Any refundable tax benefits, including the federal earned income credit
9 under 26 USC 32 and the homestead credit under subch. VIII of ch. 71.

10 (h) Any employment support or training services, including services available
11 from Wisconsin works under ss. 49.141 to 49.161.

12 (i) Any internet or broadband assistance, including the emergency broadband
13 benefit under the federal Consolidated Appropriations Act, 2021, P.L. 116-260.

14 (j) Any benefit or assistance program that provides direct payments to eligible
15 individuals.

16 (k) Any other public benefits or assistance that is available under law.

17 **(4) ASSISTANCE GROUPS.** The department of administration, in consultation with
18 any state agency that is responsible for the administration of a public benefit, in
19 preparing the report under sub. (1), shall report on the availability of public benefits
20 for the following groups of individuals, all of whom earn 50 percent of the federal
21 poverty line:

22 (a) A single adult individual.

23 (b) Two adults who are married.

24 (c) An adult parent with 2 children, one under the age of 6 and the other
25 between the ages of 6 and 17.

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1 (d) Two adults who are married with 2 children, one under the age of 6 and the
2 other between the ages of 6 and 17.

3 **SECTION 2.** 49.843 of the statutes is created to read:

4 **49.843 Office of the inspector general; health services. (1) DEFINITIONS.**

5 In this section:

6 (a) “Department” means the department of health services.

7 (b) “Food stamp program” has the meaning given under s. 49.79 (1) (c).

8 (c) “Medical Assistance program” means the Medical Assistance program
9 under subch. IV.

10 (d) “Office of the inspector general” means the office of the inspector general
11 in the department of health services.

12 **(2) GENERAL DUTIES.** The office of the inspector general shall identify and
13 prevent fraud, waste, and abuse in the food stamp program, the Medical Assistance
14 program, and other public assistance programs administered by the department of
15 health services.

16 **(3) MONITORING AND AUDITING OF PROVIDERS.** The office of the inspector general
17 shall monitor and audit providers to identify and prevent fraud, waste, and abuse,
18 including by doing all of the following

19 (a) Auditing providers of services under Medical Assistance to ensure
20 compliance with Medical Assistance law and rules.

21 (b) Investigating allegations of fraud, waste, and abuse.

22 (c) Providing education and technical assistance to providers through audit
23 activities.

24 (d) Reviewing, tracking, and researching provider billing.

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1 (e) Conducting on-site visits to high-risk providers before Medical Assistance
2 program certification.

3 (f) Educating providers and beneficiaries about Medical Assistance program
4 law and rules.

5 (g) Ensuring contracts with providers contain language that helps prevent
6 fraud, waste, and abuse.

7 (h) Ensuring the claims processing system has edit and audit procedures in
8 place to prevent medically unlikely claims.

9 (i) Suspending provider payments when there are credible allegations of fraud.

10 (j) Conducting audits and reviews of providers for compliance with Medical
11 Assistance laws and rules.

12 (k) Issuing explanations of benefits to recipients of Medical Assistance to assist
13 in reporting of fraudulent claims.

14 (L) Providing notices of remittance to providers for review of payments for
15 possible errors.

16 **(4) TRACKING RETAILER AND RECIPIENT FRAUD.** The office of the inspector general
17 shall investigate and track retailer and public assistance recipient fraud including
18 by doing all of the following:

19 (a) Comparing public information, such as social security, state wage records,
20 unemployment benefits, and prisoner data with data provided by the applicant or
21 recipient for public assistance.

22 (b) Conducting monitoring visits, audits, and undercover investigations of
23 retailers who sell items to food stamp program recipients and other public assistance
24 program recipients.

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1 (c) Monitoring the number of replacement electronic benefit transfer cards or
2 other indicia of enrollment issued to each recipient.

3 (d) Monitoring social media Internet sites for advertisements of electronic
4 benefit transfer cards or other means of selling food stamp program benefits.

5 (e) Using data analytics to identify patterns indicating fraud.

6 **(5) REPORTING FRAUD.** The office of the inspector general shall do all of the
7 following:

8 (a) Forward cases of alleged fraud to the appropriate federal, state, and local
9 officials for prosecution, including the Medicaid fraud control unit of the department
10 of justice. The office of the inspector general shall cooperate with any investigation
11 of the Medicaid fraud control unit or other unit of the department of justice into
12 fraudulent activity in any public assistance program administered by the
13 department.

14 (b) Operate and maintain a telephone hotline and online portal to report
15 suspected fraud, waste, and abuse related to public assistance programs and
16 investigate suspected fraud, waste, and abuse that has been reported to the hotline
17 or portal. The office of the inspector general shall coordinate with the legislative
18 audit bureau to ensure that the office of the inspector general is notified of reports
19 of fraud, waste, and abuse related to public assistance programs that are reported
20 to the legislative audit bureau. The office of the inspector general shall forward to
21 any appropriate agency or entity any reports to the hotline or portal of suspected
22 fraud, waste, or abuse that are unrelated to the types of fraud, waste, and abuse
23 investigated by the office of the inspector general.

24 (c) Annually submit to the legislature under s. 13.172 (2) a report summarizing
25 the accomplishments in preventing and stopping fraud in public assistance

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1 programs within the department and across the state. The report under this
2 paragraph shall include outcomes on recoupment of overpayments and the number
3 of instances of fraud, waste, or abuse referred for prosecution.

4 (d) Publicly display on an Internet site monthly findings on all of the following:

5 1. Complaint activity to the fraud, waste, and abuse hotline and online portal.

6 2. Fraud prevention activities related to food stamp program and Medical
7 Assistance program recipients, including projected cost avoidance and amounts of
8 overpayments.

9 3. Statewide fraud prevention and investigation.

10 4. Fraud prevent activities related to Medical Assistance program providers.

11 5. Interstate matching activity.

12 6. Fraud prevention activities related to the Women, Infants, and Children
13 program vendors.

14 (e) Publicly display any internal policies or guidance of the office of the
15 inspector general on its process of reviewing and investigating fraud, waste, and
16 abuse and include a display of any updates to the policies or guidance as applicable.

17 **(6) REQUESTS FOR INFORMATION.** Upon request of the office of the inspector
18 general for information relevant to an investigation of fraud, waste, or abuse in a
19 public assistance program, any state agency that receives such a request shall
20 cooperate with the office of the inspector general by providing any information in its
21 possession responsive to that request.

22 **(END)**