




DHW Program Integrity Overview

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Department of Health and Welfare**



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Compliance

as a Front-Burner Priority

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Proactive Program Integrity

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Putting compliance and operational integrity for all programs administered by DHW on the front-burner ensures that we:

- Build and maintain public trust in the work we do
- Are good fiscal stewards of taxpayer dollars
- Allocate funds efficiently, appropriately, and to qualifying individuals
- Spend time on innovation and improving operations versus reacting to compliance issues

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Culture of Compliance

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Program integrity is an essential part of everyone's job

Staff understand how to detect, mitigate, and report fraud, waste, and abuse in their roles

Clear and easy to use fraud, waste, and abuse reporting options for staff and the public

Built into business processes up front versus retrospective audits from external sources

Internal reviews and evaluation are normal business processes for all programs

- Identify efficiencies
- Address compliance gaps
- Identify any potential fraud, waste, or abuse

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Known Opportunities

and

Driving Forward Improvements

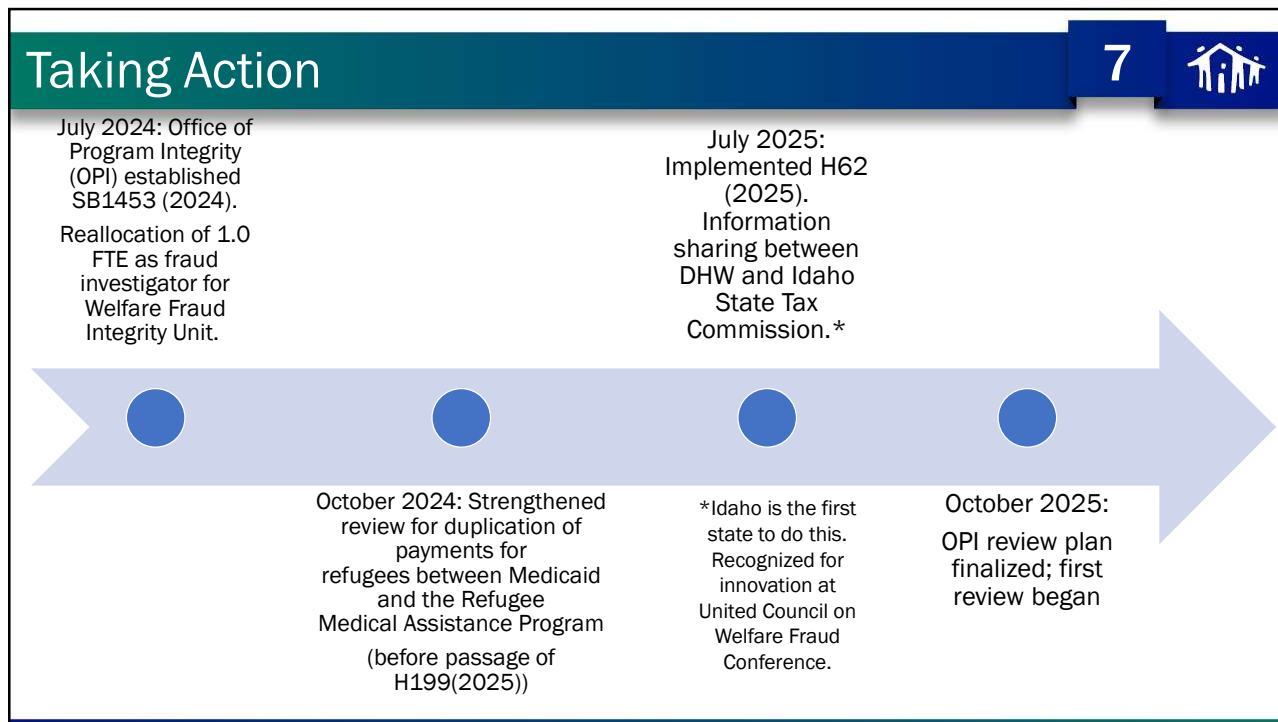
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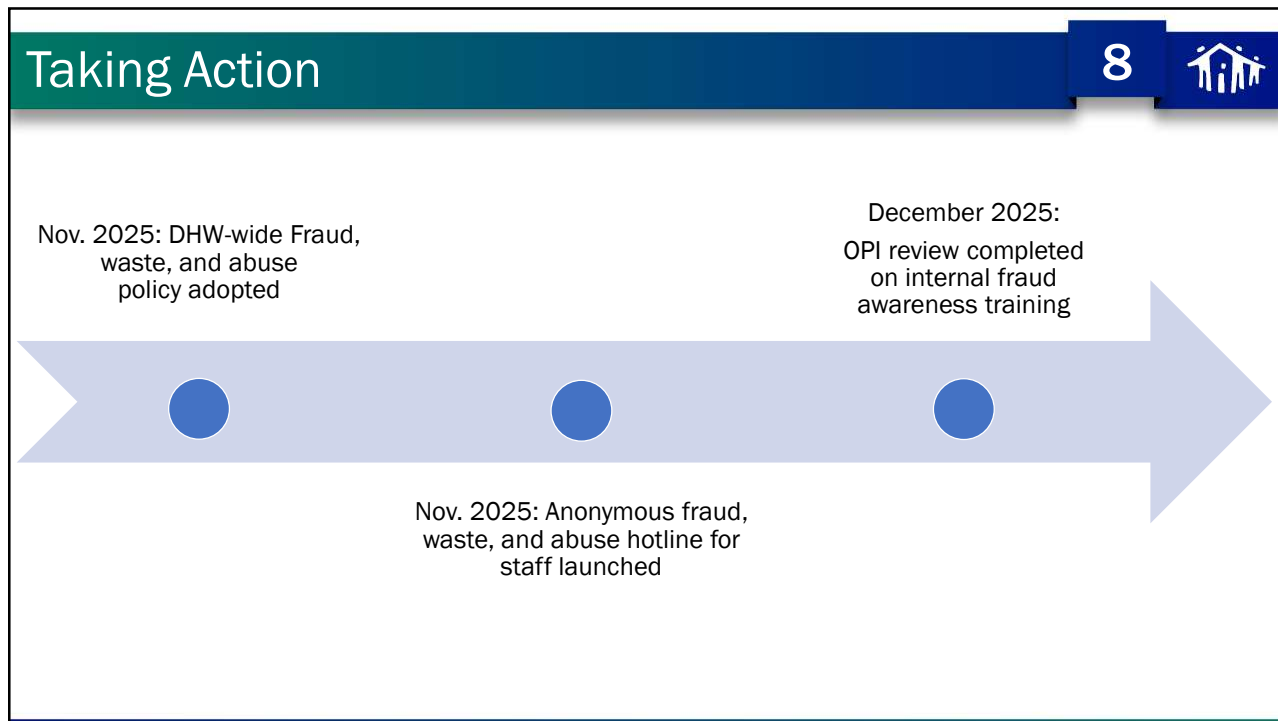
Opportunities

- Standardized expectations for preventing, identifying, reporting fraud, waste, and abuse implemented across DHW**
 - Before November 2025, DHW had no FWA policy, training, or consistent method of reporting for all staff
- Limited resources dedicated to program integrity for the size and complexity of programs administered**
 - Backlogs of cases to be investigated, funds to be recovered, and referred for prosecution
 - Need for additional audit tools to manage inflow of referrals and investigations more effectively
- Program Performance Monitoring and Evaluation**
 - Lack of ongoing and consistent approach to evaluate true outcomes from program activities
 - Need for data-driven process to evaluate program changes, enhancements, or recommend sunset

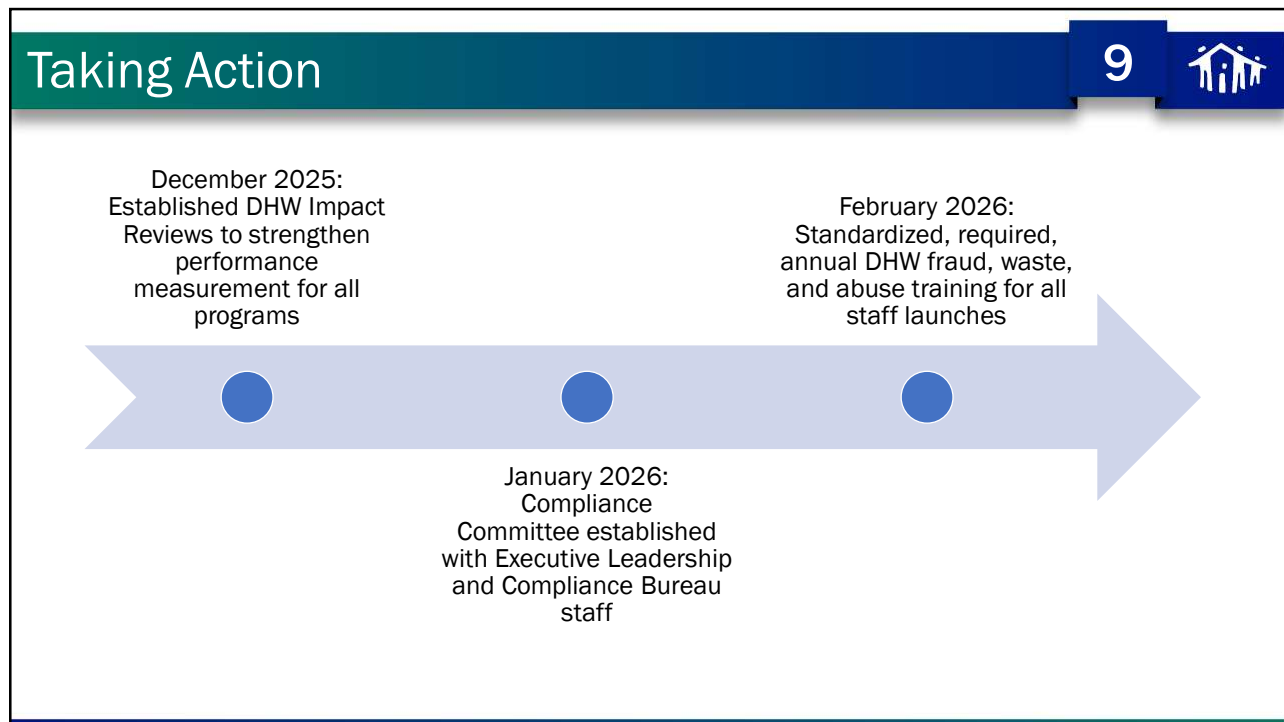
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DHW Impact Reviews

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Demonstrating ROI and accountability for all DHW contracts, grants, and programs

- Answering critical questions
 - What problem are we trying to solve?
 - How are we measuring true outcomes and impact for Idahoans? How often are we measuring?
 - How and when will we know if we are successful?
 - Is the approach or intervention working? If not, can/should we change it or should we recommend sunseting the contract, grant, or program?
 - Transparent reporting and meaningful information for state policymakers and stakeholders
- Reviewing ALL existing contracts, grants, and programs by May 2026
 - Required reporting monthly or quarterly, depending on performance measures
- Building dashboard for routine executive review
- Working towards external reporting on DHW website


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Established

Program Integrity Functions

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Compliance Staff 12 

Office of Program Integrity

- Established July 1, 2024
- 3.0 FTE reallocated from within DHW
- Focus on evaluating and assessing DHW program alignment and compliance with federal and state law


Welfare Fraud Investigations Team

- 3.0 FTE
- Conduct thorough fraud investigations referred through DHW divisions. Refer for recoveries and prosecution when appropriate.


Internal Audit

- 2.0 FTE
- Focus to provide independent and objective assurance of internal controls and risk management.

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Welfare Fraud Investigations Team Cases and Recoveries		13	
Total Cases			
<ul style="list-style-type: none"> • SFY25: 107 • SFY24: 59 • SFY23: 84 • SFY22: 101 	Potential Overpayments (referred for prosecution or back to program for collection as an administrative action)		
<ul style="list-style-type: none"> • SFY25: \$2.2M • SFY24: \$1.06M • SFY23: \$1.9M • SFY22: \$2.4M 			

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Idaho Child Care Program 360 Review		14	
<ul style="list-style-type: none"> • Conducting reviews of all 775 providers enrolled in ICCP • Reviews started Jan. 15, aim to finish March 15 • Reassigned compliance staff to conduct reviews full time along with all 4 ICCP staff. <ul style="list-style-type: none"> • 10 FTEs total assigned. • Since Jan. 15, the program has terminated 9 providers; 25 others are being investigated further. <ul style="list-style-type: none"> • 97.4% of providers visited since Jan. 15 are in compliance. • Providers who are not in compliance will be terminated from the program and referred for potential prosecution as appropriate. <ul style="list-style-type: none"> • Additional fraud investigations work will also take place. • Existing reviews in place prior to the 360 review between program staff and WFIU with limited staff capacity (none fully dedicated to ICCP reviews) 			

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Self-Reliance Integrity Unit (SRIU)
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Dedicated team of 9.0 FTE responsible for review of suspected beneficiary fraud cases for all benefit programs (Medicaid; SNAP; TANF; etc.)

Referrals come from front-line Self-Reliance staff; routine data mining and reports; and external referrals

If an Intentional Program Violation is suspected or confirmed

- The beneficiary is contacted to confirm information and a fair hearing is offered.
- If fair hearing is requested, referred to the Office of Administrative Hearings (OAH)
- If fair hearing is affirmed: overpayment is determined; beneficiary is sanctioned; and notification is sent to the beneficiary (offset benefits; set up a payment plan; seize tax refunds).
- If overpayment owed is over \$15k, send to Welfare Fraud Investigations Unit for referral for prosecution.
- 1st offense, benefit terminated for a year; 2nd offense benefit terminated for 2 years; 3rd offense, benefit terminated for a lifetime.

Referral to Welfare Fraud Investigations Unit if all other avenues have been exhausted




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SRIU Cases and Recoveries
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Total number of referrals received	Total number of referrals actioned*	Total number of Intentional Program Violations in Process	Collected Overpayments
<ul style="list-style-type: none"> SFY 25: 4,940 SFY 24: 2,000 SFY 23: 4,176 SFY 22: 2,869 	<ul style="list-style-type: none"> SFY 25: 2,372 (through 1/6/26) SFY 24: 2,038 SFY 23: 4,172 SFY 22: 2,906 <p style="font-size: small; margin-top: 10px;">*May include referrals from previous years</p>	<ul style="list-style-type: none"> SFY 25: 9 completed <ul style="list-style-type: none"> 31 pending SRIU, 5 pending w/ WFIU, 48 in progress SFY 24: 33 completed <ul style="list-style-type: none"> 8 pending SRIU, 4 pending w/ WFIU, 80 in progress SFY 23: 84 completed <ul style="list-style-type: none"> 1 pending SRIU, 15 pending w/ WFIU, 6 in progress SFY 22: 74 completed <ul style="list-style-type: none"> 1 pending w/SRIU, 4 pending w/ WFIU, 1 in process 	<ul style="list-style-type: none"> SFY 25: \$1.2M SFY 24: \$308k SFY 23: \$1.06M SFY 22: \$1.02M



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Medicaid Participant Fraud and Abuse 17

 Case Referrals	 Suspected Fraud and Abuse Identification	 Action
Referred internally to SRIU External sources typically report to Medicaid Division	Data Mining or Referral by Internal or External Source Concerning utilization trends (ER visits; specific provider visits) High number of Rx prescribers High number of Schedule 2 drugs (identified for high potential for abuse) Multiple pharmacies filling Rx within same period	Participant concerns can lead to provider audits (inappropriate prescribing or services rendered) Administrative Sanctions <ul style="list-style-type: none">• Pharmacy Lock-In• Care Management to ensure appropriate utilization

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Medicaid Program Integrity Unit 18

	Dedicated team of 16.0 FTE responsible to investigate and refer cases of suspected provider fraud to the Medicaid Fraud Control Unit (MFCU) within the Office of the Attorney General for prosecution
	Federal requirement for states to have both MPIU and MFCU

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Medicaid Provider Fraud 19

Provider Fraud, Waste and Abuse Detection

Preliminary Investigation

Outcomes

<ul style="list-style-type: none"> Data mining Peer comparison Obtain referrals Receive complaints Initiate special studies 	<ul style="list-style-type: none"> Analyze data Review billings Review records Conduct interviews Perform surveillance 	<ul style="list-style-type: none"> No action/audit Provider education Identify overpayments Assess civil monetary penalties Suspend payments Terminate provider agreement Exclude provider from Medicaid Refer to Medicaid Fraud Control Unit for criminal investigation and possible prosecution
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Medicaid Provider Fraud, Waste, Abuse 20

Completed Cases	Recovered Overpayments	Civil Monetary Penalties	Referrals to Medicaid Fraud Control Unit
<ul style="list-style-type: none"> SFY 25: 210 SFY 24: 245 SFY 23: 265 SFY 22: 323 SFY 21: 315 SFY 20: 286 	<ul style="list-style-type: none"> SFY 25: \$2.1M SFY 24: \$1.8M SFY 23: \$2.6M SFY 22: \$1.7M SFY 21: \$2.4M SFY 20: \$2.2M 	<ul style="list-style-type: none"> SFY 25: \$981k SFY 24: \$482k SFY 23: \$355k SFY 22: \$650k SFY 21: \$1.08M SFY 20: \$926k 	<ul style="list-style-type: none"> SFY 25: 15 SFY 24: 14 SFY 23: 9 SFY 22: 10 SFY 21: 12 SFY 20: 5

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Program Integrity

Enhancements and Efforts Underway

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2026 Session
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- Two program integrity related budget requests before the Legislature this session
 1. Federal funds authority for 5 new FTP for Idaho Child Care Program who (if appropriated) will serve as dedicated resources to complete an annual 360 review of all providers.
 2. Dedicated and Federal funds authority to support contractor for Medicaid provider reviews. This will be a contingency contract wherein the contractor will receive a percentage of the recoveries they identify.
- DHW working with the Legislature on two pieces of proposed legislation
 1. Codifying the Idaho Child Care Program
 2. Overarching Program Integrity chapter in Title 56 to offer clarity on requirements, authority, and process

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2026 Actions in Progress

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- Leadership from the Centers for Medicare & Medicaid Services has requested support from Idaho Medicaid to enhance fraud, waste, and abuse guidance and tools at the national level
- **DHW Impact Reviews**
 - Reviewing all existing programs, contracts, grants, etc. and applying to any new
- **Completing ICCP 360 Provider Review**
 - Anticipate completion next month (March)
- **Exploring options to make public stakeholder reporting easier and more accessible**

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7 Elements of a Compliance Program

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HOW ARE WE DOING?

1. **Written Policies and Procedures**
 - ✓ Fraud, waste, and abuse policy now in place
2. **Compliance Leadership and Oversight**
 - ✓ Compliance Committee now in place
3. **Effective Training and Education**
 - ✓ All staff fraud, waste, and abuse annual training now in place
4. **Open Lines of Communication**
 - ✓ Anonymous hotline for staff reporting now in place
5. **Internal Monitoring and Auditing**
 - ✓ Strengthening oversight of programs (e.g. ICCP) and working to properly resource
6. **Enforcement of Well-Publicized Disciplinary Actions**
 - ✓ Recovery of overpayments; referrals for prosecution; education; and corrective action plans
7. **Prompt Response and Corrective Action**
 - ✓ Working to improve response time with requisite resources in place

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