

# DMA ADMINISTRATIVE LETTER NO: 02-12, REFERRAL OF RECIPIENT FRAUD TO LAW ENFORCEMENT

**DATE:** July 31, 2012

**SUBJECT:** REFERRAL OF RECIPIENT FRAUD TO LAW ENFORCEMENT

**DISTRIBUTION:** COUNTY DIRECTORS OF SOCIAL SERVICES  
PROGRAM INTEGRITY SUPERVISORS AND INVESTIGATORS  
INCOME MAINTENANCE SUPERVISORS AND CASEWORKERS

## I. BACKGROUND

The Centers for Medicare and Medicaid Services has determined that the North Carolina Medicaid Program is not in full compliance with Federal Regulations 42 CFR 455.15 (b) and (c) regarding the process of referral of recipient fraud to law enforcement. In order to be in full compliance with 42 CFR 455.15(b) and (c), a correction is being made to the policy regarding the process of referring individuals suspected of fraud or abuse of the Medicaid program to the appropriate law enforcement agency.

A part of this process correction is a change in the procedures used by the counties to report information to the Division of Medical Assistance regarding cases of suspected recipient fraud or abuse of the Medicaid program that they have referred to law enforcement. Referral to law enforcement includes either referral to the district attorney or referral to a law enforcement agency.

## II. REFERRALS MADE BY THE COUNTY TO LAW ENFORCEMENT OR TO THE DISTRICT ATTORNEY

When the county department of social services determines from an investigation that an individual has defrauded Medicaid or North Carolina Health Choice the director or his designee must:

**A. Refer the case to the appropriate law enforcement agency or to the district attorney. Reference MA-2900 IV. or MA-3535 IV. to determine whether there is a basis for fraud.**

**B. Maintain the following information in order to complete the [DMA-7010](#), Report of Referrals to Law Enforcement:**

1. Name of individual referred
2. EPICS Referral ID Number
3. Law enforcement entity referred to (district attorney, local law enforcement agency, state law enforcement agency)
4. Date referred to law enforcement entity

5. Date charges dismissed
6. Date convicted
7. Outcome other than dismissal or conviction

**C. Complete the DMA-7010, Report of Referrals to Law Enforcement, quarterly and submit to DMA Quality Assurance by the 10<sup>th</sup> of the month following the ending of each quarter. Submit the form via fax or mail:**

Division of Medical Assistance, Quality Assurance Section,  
2501 Mail Service,  
Raleigh, NC 27699-2501  
Fax: 919-814-0036.

The schedule for these reports is as follows:

1. Report for January 1 through March 31 due April 10
2. Report for April 1 through June 30 due July 10
3. Report for July 1 through September 30 due October 10
4. Report for October 1 through December 31 due January 10

If you have questions about this policy, please contact Quality Assurance at 919-814-0000.

Michael Watson, Director  
Division of Medical Assistance

MW:slb

(This material was researched and written by Shara Britt, Quality Assurance Section)