Conflict of Interest and Separation of Duties Webcast

April 27, 2017

Amy Thompson
WIC Policy Coordinator

Richard Schneider
WIC System Management Specialist

Overview

- Policy review with Amy Thompson

- System process review with Rick Schneider
  - Impact to roles in MI-WIC
  - Establishing clinic designations
  - Assigning the Permanent Single Certifying role
  - Assigning the Temporary Single Certifying role
Good Morning I am Amy Thompson the WIC policy coordinator

Thompson, Amy (DHHS-Contractor), 3/14/2017
9.03 Employee Conflict of Interest and Separation of Duties

* USDA Policy Memo #2016-5: Separation of Duties received August 19, 2016, requires us to make changes to Policy 9.03.

* Policy changes to 9.03 and Exhibits are pending final USDA approval

Summary of Major Changes:

- List of prohibited certification practices
- Description of acceptable separation of duties
- Examples of unacceptable separation of duties where conflict of interest controls must be implemented
- Description of conflict of interest controls
- Requirements for what records need to be audited and updated time frames
- WIC Single Certifier audit tool and instructions
### 9.03 Employee Conflict of Interest and Separation of Duties

**PURPOSE:** Local WIC agencies shall implement conflict of interest controls to prevent and detect employee fraud and abuse. Local agencies shall assure that at least two employees are involved in the certification process, except in cases where this is not possible. Local agencies shall also report cases of employee fraud and abuse to the MDHHS/WIC Division (MI-WIC Policy 9.02, Employee Compliance).

### PROHIBITED certification practices

- **Certifying oneself:**
  
  A WIC employee who is also a WIC client **SHALL NOT CERTIFY ONESELF** or issue food benefits to oneself.

- **Certifying relatives or close friends:**
  
  WIC employees **SHALL NOT** certify or issue food benefits to relatives or close friends.

The WIC Coordinator or designee shall be responsible for certifying or issuing food benefits to employees who are also WIC clients or to employee’s relatives/friends.
Policy 9.03 Separation of Duties

WIC Agencies shall implement acceptable separation of duties within the certification process

- Clinics with multiple WIC staff shall not allow one employee to perform all eligibility and certification functions.
- The employee who determines income eligibility and the employee who determines medical or nutritional risk cannot be the same person.

Policy 9.03 Separation of Duties

- The following scenarios are not in compliance with policy unless system controls and monitoring are implemented:

  - System controls will be covered in second half of the presentation.
Unacceptable Separation of Duties

* A clinic staffed by one employee who completes all elements of the certification or recertification (i.e., satellite clinic).
* Providing off-site services when 2 employees involved in the eligibility and certification process are **not both physically present to the client**.

Unacceptable Separation of Duties cont...

* Having one employee at the clinic check identification or residency only & another employee conducts income eligibility & the remainder of the certification.
* When a two-person clinic must be staffed by only one employee due to illness, emergency, etc..
Conflict of Interest Controls

For all clients Certified without acceptable Separation of Duties:

**SCAN** copies of all documents supporting eligibility into the MI-WIC record.

1. **Proof of Identify** at initial certification & subsequent appointments where food benefits are issued (MI-WIC Policy 2.03)
2. **Proof of Residency** at every certification (MI-WIC Policy 2.02)
3. **Proof of Income** at every certification (MI-WIC Policy 2.04)
4. **Proof of Pregnancy** with each pregnancy (MI-WIC Policy 2.10)

Audit Requirements

The WIC Coordinator or designee shall conduct an audit of:

1. All infant formula fed (IFF/IBP) certification records within **14 days** of the certification
2. And At Least 20% of a random sample of the remaining records within **14 days** of the certification

*Use Exhibit 9.03A, WIC Single Certifier Audit Tool, Exhibit 9.03B WIC Single Certifier Audit Tool Instructions and Exhibit 9.03C WIC Single Certifier Audit Evaluation Tool*
# New MI-WIC Report: Draft Sample Only

**Single Certifier Report**
11/11/2016 - 12/21/2016

## IFF/IP Clients

<table>
<thead>
<tr>
<th>Row #</th>
<th>Date Certified</th>
<th>Client Category</th>
<th>Client ID</th>
<th>Client’s Name</th>
<th>Staff ID/Name</th>
<th>Authorized Staff Roles at Certification</th>
<th>Clinic</th>
<th>Clinic Status at Certification</th>
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<tbody>
<tr>
<td>1</td>
<td>11/11/2016</td>
<td>IFF</td>
<td>Last, First</td>
<td>KAMNH1</td>
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<td></td>
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<td>11/11/2016</td>
<td>IFF</td>
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<tr>
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<td>IFF</td>
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<td>Last, First</td>
<td>KAMNH1</td>
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<td></td>
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**Non-IFF/IP Clients**

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<th>Client Category</th>
<th>Client ID</th>
<th>Client’s Name</th>
<th>Staff ID/Name</th>
<th>Authorized Staff Roles at Certification</th>
<th>Clinic</th>
<th>Clinic Status at Certification</th>
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<tbody>
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<td></td>
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<td></td>
</tr>
<tr>
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<td>11/11/2016</td>
<td>IFF</td>
<td>Last, First</td>
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</tr>
<tr>
<td>3</td>
<td>11/11/2016</td>
<td>IFF</td>
<td>Last, First</td>
<td>KAMNH1</td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**IFF/IP Total Record Count**: 4

**Non-IFF/IP Total Record Count**: 3

*20% of Total Non-IFF/IP Count*
New MI-WIC Report: Draft Sample Only

Non-IFF/IBP Clients

<table>
<thead>
<tr>
<th>Row #</th>
<th>Date Certified</th>
<th>Client Category</th>
<th>Client ID</th>
<th>Client’s Name</th>
<th>Staff ID/Name</th>
<th>Authorized Staff Roles at certification</th>
<th>Clinic</th>
<th>Clinic Status at Certification</th>
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<td>REW23</td>
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Non-IFF/IBP Total Record Count: __________

20% of Total Non-IFF/IBP Count: __________

Policy 9.03A WIC Single Certifier Audit Tool

Policy 9.03A WIC Single Certifier Audit Tool

<table>
<thead>
<tr>
<th>Date Certified</th>
<th>Client</th>
<th>Client ID</th>
<th>Proof of Residency</th>
<th>Proof of Identity</th>
<th>Proof of Income</th>
<th>Proof of Eligibility</th>
<th>Comments</th>
<th>Follow up</th>
</tr>
</thead>
</table>

Note: Scan or copy and scan verification of Medicaid eligibility (card or screen print) into client record for adjunctively eligible clients. This will verify income and residency for client next, if card scanned, identify.

See Exhibit 9.03B for instructions to complete this form.
### MI-WIC Policy

**Program Compliance**

**9.0 Program Compliance**

**9.03B WIC Single Certifier Audit Tool Instructions**

**9.03 A WIC Single Certifier Audit Review Date: 12/1/16**

| Client ID | Date of Cert | C.R.T | Certifier Initials | Identity | Residency | Proof of Income | Proof of Residency | Proof of Pregnancy | Proof of Person | EBT Signature | Form—Received | Comments | Follow Up |
|-----------|--------------|------|-------------------|---------|-----------|----------------|-------------------|--------------------|----------------|--------------|--------------|-------------|----------|-----------|
| 300123456 | 12/30/16     | C    | WIC               | +       | +         | +              |                   |                    |                |              |              |            |          |          |
| 300123456 | 12/30/16     | L    | HIC               | +       | +         | +              |                   |                    |                |              |              |            |          |          |

*Figure Example*

Record the following information for each client record reviewed:

(a) Client ID: Record the client’s ID (30XXXXXX).
(b) Date of Cert: Record the date of certification.
(c) C.R.T: Record if Cert (C), Recert (R) or Out of State Transfer (T)
(d) Initials: Record the initials of the certifier who certified the client.
### 9.03C WIC Single Certifier Audit Evaluation Tool

#### Evaluation Section

<table>
<thead>
<tr>
<th>Identify source of specific records to be audited:</th>
<th>MHP Billing</th>
<th>MI-WIC Schedule Single Certifier Report</th>
<th>Others</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number of single certifier (IF/ABP) records reviewed (d)</th>
<th>Is this 100% of all single certifier IF/ABP records?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number of all other single certifier records reviewed (d)</th>
<th>Is this at least 25% of all other single certifier records?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

| Number of single certifier IF/ABP records with required documentation missing: | \( \text{[goal]} \) |

| Number of all other single certifier records with required documentation missing: | \( \text{(c)} \) |

What is the solution for securing the required documentation? (a):

- [ ] Training staff to obtain required documentation ________________ data/initials
- [ ] Contacting the client for the required documentation ________________ data/initials

Other: _____________________________

Steps taken to improve compliance: (f)
## Evaluation Section

Identify source of specific records to be audited:

<table>
<thead>
<tr>
<th>MIHP Billing</th>
<th>MI-WIC Schedule</th>
<th>Single Certifier Report</th>
<th>Other</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Number of single certifier (IFF/IPP) records (a)*</th>
<th>Is this 100% of all single certifier IFF/IPP records?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of all other single certifier records reviewed (b)*</th>
<th>Is this at least 20% of all other single certifier records?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>

### MICHIGAN

**Number of single certifier IFF/IPP records with required documentation missing:** (c) ________

**Number of all other single certifier records with required documentation missing:** (d) ________

**What is the solution for securing the required documentation? (e)**

- Training staff to obtain required documentation _______________ date/initials
- Contacting the client for the required documentation ___________ date/initials

**Other:**

**Steps taken to improve compliance:** (f)
9.03 Guidance