



NATIONAL CENTER ON

Subsidy Innovation and Accountability



NATIONAL PROGRAM INTEGRITY WEBINAR SERIES

WEBINAR #3: NEW YORK CHILD CARE PROGRAM INTEGRITY

JUNE 14, 2017 - 2:00 EDT

CALL LOGISTICS

- Interactive sessions with multiple breaks for Q & A's
- If you're using the Phone Call option, you MUST enter your audio PIN in order to be heard
- If you'd like to ask a question, raise your hand or type in questions and comments using the "Questions" panel
- For PowerPoint or registration issues – kwatts@wrma.com

WELCOME

Shannon Christian, Director, Office of Child Care



AGENDA

- Follow-up from the 1st Program Integrity Webinar
- New York State's Child Care Program Integrity (CCPI) technical solution
- Q&A

FOLLOW-UP: PROGRAM INTEGRITY WEBINAR #1

- Program Integrity presentations can be found on OCC's Child Care Technical Assistance website:
<https://childcareta.acf.hhs.gov/centers/national-center-child-care-subsidy-innovation-and-accountability>
- Resource/Handout - Strategies Discussed in the National Program Integrity Webinar Series #1



**Office of Children
and Family Services**

Child Care Program Integrity (CCPI)

Technical Solution Implementation

June 14, 2017

Janice Molnar, Deputy Commissioner, NYS OCFS

Jim Hart, Director of Program Operations, NYS OCFS

Merideth Bastiani, Manager of the Child Care Subsidy Unit, NYS OCFS

Norbert Haupt, President, Controltec, Inc.

Why are we here?

This session is designed to introduce you to the Child Care Program Integrity (CCPI) technical solution that has been developed in NYS.



We will discuss **what the system is, how it works, and how local social services districts can use the system to identify *potential child care subsidy fraud*.**

NYS's Program Integrity Initiative

The OCFS Program Integrity Initiative began in 2010 when we held a Fraud Roundtable with various statewide stakeholders. As an outcome, we developed a **blueprint** for action:

- 1) Regulation changes
- 2) Mini-grants
- 3) Automated time and attendance system (CCTA)
- 4) Data mining/analytics (CCPI)

NYS's Program Integrity Initiative

Our first three action items were implemented within two years of the fraud roundtable being convened.

Then we focused on the development of our Child Care Program Integrity technical solution (CCPI).

- 1) Regulation changes
- 2) Mini-grants
- 3) Automated time and attendance system (CCTA)
- 4) Data mining/analytics (CCPI)

NYS's Program Integrity Initiative



- OCFS released an RFI in late *2011* to learn about current technology and opportunities in the marketplace
- The RFI led to the development and release of an RFP in late *2012*
- Controltec awarded contract in late *2013*

What is CCPI?

The Child Care Program Integrity (CCPI) technical solution is a web-based dashboard that supports child care subsidy fraud investigations by using data mining and predictive analytics to detect potential cases of fraud.



It was designed by the IT vendor Controltec, Inc. as result of an RFP issued by OCFS and was deployed statewide to all Local Departments of Social Services (LDSS's) in January 2016.

What is CCPI?

Historically, our data has been housed in silos. CCPI aggregates child care data for analysis.

CCPI evaluates data from several data sources, initially focusing on:

- **CCTA** (Child Care Time and Attendance system-attendance data)
- **WMS** (Welfare Management System-eligibility data)
- **BICS** (Benefits Issuance and Control System-payment data)
- **CCFS** (Child Care Facility System-program/provider data)

How does it work?

CCPI uses a data analytics tool to perform data mining using current and historic data to detect patterns within the data. It will identify **outliers** - i.e. data patterns for situations that are different from the norm.

CCPI analyzes data based on **red flags** (potential fraud indicators). It then combines the different indicators and assigns potential fraud scores, which lead to an overall case ranking.

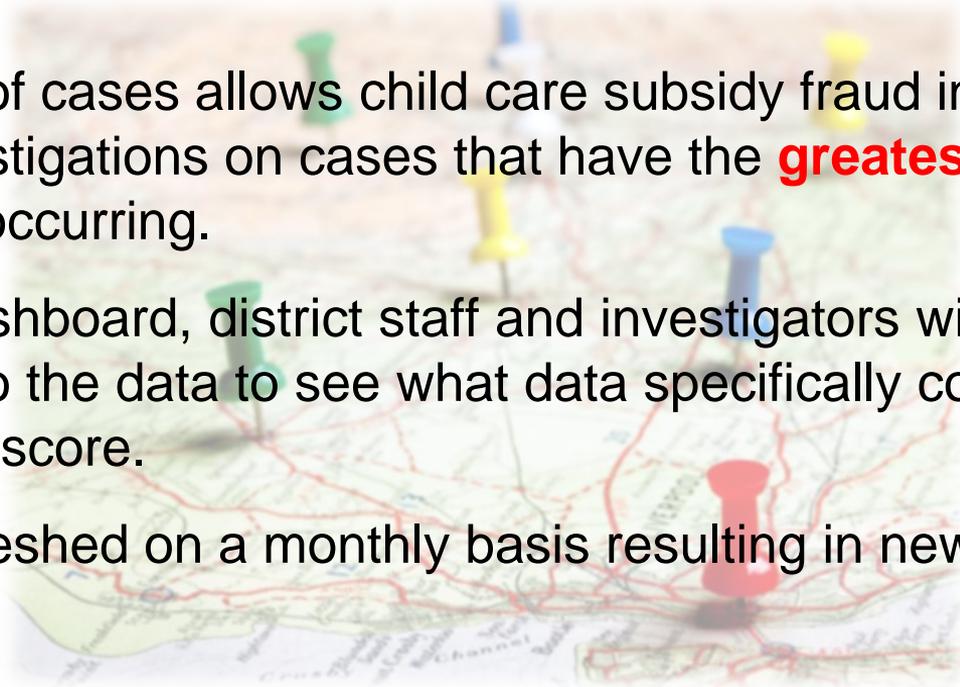


How does it work?

The ranking of cases allows child care subsidy fraud investigators to focus investigations on cases that have the **greatest likelihood** that fraud is occurring.

Using the dashboard, district staff and investigators will be able to drill down into the data to see what data specifically contributed to the assigned score.

Data are refreshed on a monthly basis resulting in new cases being generated.



Examples of indicators

Indicator	Name	Description	Sources	Model	Extract Files
1	Licensed Capacity	Attendance exceeds licensed capacity by a predetermined threshold relative to licensed capacity	CCTA, CCFS	Provider	Facility Attendance
2	Perfect Attendance	Providers billing for children with perfect or above average attendance rates for extended periods of time	CCTA	Provider	Attendance
3	Never Closed	Programs that are never closed (open on holidays, etc.)	CCTA	Provider	Attendance
4	Hours Billed	Excessive number of hours billed on a daily basis (e.g., billing for more than a standard shift of care)	CCTA	Payment	Attendance
5	Driving Distance	Analysis of the distance between the provider's and the child's home (excessive travel between the two points)	CCTA, CCFS	Provider	Driving Distance
6	Provider Overrides	Excessive numbers of provider overrides of entries in the Child Care Time and Attendance system	CCTA	Provider	Attendance
7	Precise Attendance	Children's sign-in/sign-out times are consistently the same	CCTA	Payment	Attendance
8	Multiple Locations	Same child being billed at multiple locations at the same/similar time	CCTA, CCFS	Payment	Payment Provider
9	Legal Entity	Multiple Family/Group Family Day Care programs operated by the same legal entity	CCFS	Provider	Facility Provider
10	Correctional Facility	Checks mailed to a correctional facility (any correctional facility in the State of New York)	Other	Provider	BICS Payment Correctional Facilities



Examples of indicators

11	Inconsistent Demographics	Inconsistent data---names, dates of birth, addresses, social security numbers, etc.	WMS, CCTA, CCFS, BICS	Family	Family CSOS-Child CCTA-Child
12	Parents Employed	Parents employed by providers	WMS, CCFS	Provider	Parent Parent Work Provider
13	Ineligible Provider	Checks mailed to providers when they were not eligible for payment	CCFS, BICS	Provider	BICS Facility Payment
14	Matched Demographics	Providers and families with the same phone numbers/addresses/dates of birth (and possibly social security numbers)	CCTA, CCFS, WMS	Family	Provider Family
15	Payments Over Threshold	Total value of payments to a provider exceed a predetermined threshold (based on a licensed capacity x dollar amount formula)	BICS	Provider	Payment
16	Payments to PO Boxes	Payments that are sent to Post Office boxes or commercial mailboxes (e.g., UPS store)	BICS	Provider	BICS
17	Excessive Amounts	Payment amounts exceed adjustable threshold	CCTA	Payment	Payment
18	Children Moving	Children moving between providers over adjustable threshold	CCTA	Family	CCTA-Child Provider
19	Second Shift	Care provided in second/third shift over first shift over adjustable threshold	CCTA	Provider	Provider Authorization
20	Outside Business Hours	Children have attendance outside of provider business hours	CCTA	Provider	Provider Attendance



How can CCPI assist investigations?



- Tool to support investigations
- Flexibility in use
- Data from multiple sources is available on one screen
- Data drill down ability
- Can be used by child care workers (then referred for investigation)
- Three different models: payment, provider, and family

Deployment of CCPI

- ✓ CCPI was initially deployed to all 57 local services districts (counties) outside of NYC in January-February 2016.
- ✓ Regional Training sessions were completed January-February 2016.
- ✓ Initial deployment focused on training fraud investigators.

Deployment of CCPI

- ✓ We have learned that in some cases, other LDSS child care staff are more familiar with the providers and families listed in the CCPI cases than the fraud investigators.
- ✓ We would like to expand access for district child care workers to review potential fraud cases in CCPI.
- ✓ OCFS released an Informational Memorandum to local social services districts in December 2016.



Office of Children and Family Services

Andrew M. Cuomo
Governor

52 WASHINGTON STREET
RENSELAER, NY 12144

Sheila J. Poole
Acting Commissioner

Informational Letter

Transmittal: 16-OCFS-INF-11
To: Commissioners of Social Services

Issuing Division/Office: Division of Child Care Services

Date: December 6, 2016

Subject: Child Care Program Integrity (CCPI) Fraud Detection System

Suggested Distribution: Directors of social services
Intake workers
Fraud investigative units
Staff development coordinators

Contact Person(s): Shane Stone shane.stone@ocfs.ny.gov
Attachments: None

Filing References

Previous ADMs/INFs	Releases Cancelled	NYS Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.

I. Purpose

The purpose of this Informational Letter is to notify local social services districts about the deployment of the Child Care Program Integrity (CCPI) Fraud Detection System to their districts. The New York State Office of Children and Family Services (OCFS) expects districts to take advantage of the opportunity to utilize CCPI to assist in their child care subsidy fraud investigations.

II. Background

In January 2016, CCPI was made available to all local social services districts outside of New York City in conjunction with regionally based training opportunities. CCPI was

designed as a tool to assist child care staff and fraud investigators in their efforts to identify potential cases of child care subsidy fraud for investigation.

CCPI is an automated technical solution that supports child care subsidy fraud investigations by using data mining and predictive analytics to identify potential cases of child care subsidy fraud, via an interface with a user dashboard. It evaluates data from several data sources, initially focusing on: Child Care Time and Attendance System (CCTA) attendance data, Welfare Management System (WMS) eligibility data, Benefits Issuance and Control System (BICS) payment data, and Child Care Facility System (CCFS) program data.

CCPI performs data mining using current data and historic data to identify patterns. The data is analyzed based on red flags (i.e., potential fraud indicators). It combines different indicators and assigns potential fraud scores. The scores assigned to the cases are risk-based and allow for child care workers and subsidy fraud investigators to focus investigations on cases that show the greatest likelihood of fraud. Investigators are also able to drill down into the data to see what data specifically contributed to the assigned score.

Data is refreshed on a monthly basis. New reports are generated each month based on the most recent data. All local social services district child care staff and fraud investigators can have access to CCPI through their Centraport or ny.gov accounts. Specific permissions must be granted to gain such access.

III. Program Implications

While CCPI is currently in the initial roll-out and implementation phase, OCFS expects district staff to begin to utilize the system. OCFS is hosting regularly scheduled technical assistance conference calls to solicit feedback from district staff and to also provide guidance on CCPI use. It is important for OCFS to obtain feedback during this time, so that technical adjustments can be made to the system to refine its functionality. It is OCFS's intent to require CCPI use by all districts once the initial roll-out and implementation has been completed.

Support and technical assistance to CCPI users is available from 8 a.m.-5 p.m., Monday through Friday by contacting the CCPI call center at (877) 369-6106. Additional user training, including possible on-site technical assistance is available to districts at their request. Requests for user permissions or for training can be directed to Shane Stone at shane.stone@ocfs.ny.gov.

/s/ Janice M Molnar

Issued By:

Janice M Molnar, Ph. D.
Deputy Commissioner
Division of Child Care Services



Office of Children
and Family Services

Demo of system



Current implementation status

- On-going solicitation of feedback/input from users and making enhancements
- Recently developed a training and technical assistance model that is being implemented to provide on-site support and training to the local social services district staff



On-going deployment activities



- Regularly scheduled **conference calls** with local social services districts
- Controltec **support center assistance**
- OCFS **in-house resources**
- Regionally based **training resources** for on-site support

Q&A



Thank you!

