



Washington State Auditor's Office

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Whistleblower Investigation Report Department of Social and Health Services

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Kevin Quigley, Secretary
Department of Social and Health Services

Report on Whistleblower Investigation

Attached is the official report on Whistleblower Case No. 15-021 at the Department of Social and Health Services.

The State Auditor's Office received an assertion of improper governmental activity at the Agency. This assertion was submitted to us under the provisions of Chapter 42.40 of the Revised Code of Washington, the Whistleblower Act. We have investigated the assertion independently and objectively through interviews and by reviewing relevant documents. This report contains the result of our investigation.

Questions about this report should be directed to Whistleblower Manager Jim Brownell at (360) 725-5352.

Sincerely,

JAN M. JUTTE, CPA, CGFM
ACTING STATE AUDITOR
OLYMPIA, WA

cc: Andrew Colvin, Discovery/Ethics Administrator
Governor Jay Inslee
Kate Reynolds, Executive Director, Executive Ethics Board
Jennifer Wirawan, Investigator

WHISTLEBLOWER INVESTIGATION REPORT

Assertion and results

Our Office received a whistleblower complaint asserting a manager at the Department of Social and Health Services (Department) directed Office of Refugee and Immigrant Assistance program staff to enter false service dates in order for services to qualify for payment outside of the 12-month period permitted by law.

We found no reasonable cause to believe an improper governmental action occurred.

Background

The Department contracts with entities that provide naturalization services to immigrants through citizenship training, form completion, interview preparation and appeals. Contractors are paid for each service provided, which includes a payment for reporting to the Department when the client has been naturalized.

Contractors provide the Department a monthly report of the services rendered to clients. The report includes which month the services were provided, the names and identifying information of the clients and the services each client received. To qualify for payment, contractors are required to submit this form, along with an invoice, at the end of each month.

The monthly reports are reviewed line-by-line by program staff and individual services may be denied if they do not comply with program guidelines. In the case of a claim denial, contractors may re-bill the service. Re-billed services appear on a future invoice, but include an explanation by the contractor that the service is from a prior month.

Contractors are allowed 13 invoices in the 12-month contract period; one invoice for each month and one final invoice to bill for any previously denied or unreported services. After the final invoice, the contract is closed and the Department will no longer issue payments for that contract period.

Contractors are paid a stipend for reporting to the Department when a client has become a naturalized citizen. This reporting is considered a service by the Department and the date the contractor reports the naturalization is considered the service date. Because clients may not report naturalization to the contractor in a timely manner, the Department allows the contractor to report the naturalization up to one year after the initial contract.

About the Investigation

We reviewed supporting documentation maintained by the Department, including Participant Services Report Forms and invoices, and viewed computer systems used by the program. We found no instances where program staff falsified service dates or the Department paid a contractor for a service conducted outside of the contract period.

The Department performs yearly site visits to verify program compliance. During a site visit, program staff reviews contractor records for completion, accuracy and compliance with contract provisions.

During our investigation, the Department updated contracts, participant forms, and computer programs to require contractors to provide actual service dates. We interviewed the subject, who said she never directed program staff to falsify service dates, a statement we verified with witnesses. She said she inherited a program with a system that has been in place for “a very long time” and even though she believed the prior process of capturing only the service month was acceptable, the recent addition of capturing the service start date will improve the integrity of the system.

State Auditor’s Office Concluding Remarks

We thank Agency officials and personnel for their assistance and cooperation during the investigation.

WHISTLEBLOWER INVESTIGATION CRITERIA

We came to our determination in this investigation by evaluating the facts against the criteria below:

45 CFR 74.47 - Contract administration.

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. Recipients shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

WAC 388-05-0010 – How soon does a contractor have to submit claims for payment to the department after the services are rendered?

Each contractor who is rendering authorized services to the department or its clients shall submit claims for payment, as agreed upon between the department and the contractor, no later than twelve months after the date of service. If the claims for payment are not presented within the twelve-month period there shall not be a charge against the state. The twelve-month period may be shortened by contract or regulation. The twelve-month period may be extended by contract or regulation, but only if required by applicable state or federal law or regulation. The department may grant exceptions to the twelve-month period for initial claims when billing delays are caused by either of the following:

- (a) The department's certification or authorization of services for a client for a retroactive period; or
- (b) The provider proves to the department's satisfaction that there are other extenuating circumstances.

This provision shall apply to all claims for payment submitted on or after the effective date.