

Notice of Filing

Reporting Agency: Department of Children and Families

Recipient Agency: President of the Senate
Speaker of the House of Representatives
Chair of the Senate Committee on Children, Families, and Elder Affairs
Chair of the House Subcommittee on Children, Families, and Seniors
Governor's Office of Policy and Budget
Department of Financial Services/ Division of Public Assistance Fraud

Subject: Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations

Report Due Date: January 2020

Statutory Requirement: Section 414.34, Florida Statutes

Abstract: Section 414.34, Florida Statutes, requires an annual report to the Legislature regarding the status of food assistance program violations and the Department's Electronic Benefit Transfer (EBT) initiative. This report contains 2018-19 state fiscal year (SFY) data from both the Department of Children and Families and the Department of Financial Services, Division of Public Assistance Fraud. The SFY 2018-19 data are summarized as follows:

1. The total number of complaints received was 53,874. These complaints generated 17,327 investigations.
2. The number of investigations with findings of probable cause was 2,774.
3. The number of investigations with findings of no probable cause was 3,968.
4. The number of administrative complaints filed was 1,625.
5. The dispositions of administrative complaints included 4,420 program disqualifications, 76 not disqualified, and 473 awaiting completion of the administrative process.
6. The number of criminal complaints brought under s. 414.39, Florida Statutes, was 1,066, with 675 being disposed.
7. The status of the development and implementation of rules governing the EBT program is also provided.

Additional copies of this report may be obtained by contacting the Department of Children and Families, Public Benefits Integrity, 1317 Winewood Boulevard, Building 3, Room 103-A, Tallahassee, Florida 32399-0700, (850) 717-4115.

The 2018-2019 Legislative Annual Report on Food Assistance Program Violations and the Electronic Benefit Transfer (EBT) System

Pursuant to s. 414.34, Florida Statutes (F.S.), the Department of Children and Families (DCF) is required to submit a report annually concerning the administrative complaints and disciplinary actions involving the food assistance program (also known as the Supplemental Nutrition Assistance Program, or SNAP) violations in the following areas (sections 1-7). The Department also is required to report on the progress of the development and implementation of the EBT program.

The Economic Self-Sufficiency Program's Office of Public Benefits Integrity (OPBI) is responsible for preventing, detecting, and investigating cases of potential public assistance fraud. Pursuant to s. 414.411, F.S., DCF contracts with the Department of Financial Services, Division of Public Assistance Fraud (DPAF), to conduct investigations of suspected public assistance fraud and, if warranted, pursue prosecution of violations through administrative or judicial means. If DPAF does not pursue an investigation, OPBI may take the case for investigation. This report provides a complete view of the volume and disposition of fraud complaints, investigations, and prosecutions.

With support from the Legislature effective October 1, 2014, OPBI established a Public Assistance Fraud Reward Program and the Fraud Reward Assessment Team (FRAT) to implement and administer the provisions of s. 414.39(11), F.S. This team receives, evaluates, and refers complaints¹ of public assistance fraud provided by the public, DCF employees and other state agencies. As part of the fraud complaint evaluation process, FRAT conducts a detailed preliminary review to verify the allegations of fraud. If FRAT determines that the allegations are valid and sufficient and fall under OPBI's authority, the fraud reports are then referred to OPBI fraud investigators (to detect and prevent fraud in pending cases) and/or to the DPAF (to investigate cases in which benefits already have been fraudulently obtained).

The following information is correspondingly numbered as they appear in the authorizing legislation and represent activities during state fiscal year (SFY) 2018-19.

1. A total of 53,874 food assistance fraud complaints were received and 17,327 investigations were completed during SFY 2018-19. The investigations of FRAT complaints were done by OPBI or DPAF as appropriate and are included in their respective totals.

¹ The DCF Fraud Reward Assessment Team (FRAT) handles complaints regarding potential fraud involving the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Medicaid programs. Fraud complaints relating to Medicaid providers are forwarded to the Medicaid Fraud Control Unit in the Attorney General's Office.

Source	Complaints Received	Investigations Complete
Fraud Reward Assessment Team (complaints received from the public)	12,404 ²	
Office of Public Benefits Integrity	21,195	15,758
Division of Public Assistance Fraud	20,275	1,569
Total	53,874	17,327

2. Of the 17,327 investigations that were completed in SFY 2018-19, a total of 9,164 found evidence resulting in reduction or denial of benefits. 2,774 cases produced findings of probable cause and were referred for administrative or prosecutorial action.

Source	Referred for Administrative Hearing or Prosecution
Office of Public Benefits Integrity	299
Division of Public Assistance Fraud	2,475
Total	2,774

3. Of the 17,327 investigations conducted in SFY 2018-19 a total of 3,968 investigations produced no findings of probable cause.

Source	Not Referred for Administrative Hearing or Prosecution
Office of Public Benefits Integrity	3,860
Division of Public Assistance Fraud	108
Total	3,968

4. Administrative complaints filed by OPBI and DPAF relating to public assistance fraud cases.

Source	Administrative Complaints Filed
Office of Public Benefits Integrity	539
Division of Public Assistance Fraud	1,086
Total	1,625

5. The disposition of administrative complaints resolved in SFY 2018-19 are indicated below. Complaints "Awaiting Decision" include those with pending administrative disqualification hearings.

Disqualified	4,420
Not Disqualified	76
Awaiting Decision	473
Benefits subject to recovery	\$3,431,229

² Total number of complaints includes reports from the public pursuant to s. 414.39(11), Florida Statutes, some of which are referred to the Department of Children and Families, Office of Public Benefits Integrity, or the Department of Financial Services, Division of Public Assistance Fraud for investigations.

6. DPAF handles criminal prosecutions and reported that it referred 1,066 criminal complaints to various state attorneys listed under s. 414.39, F.S.

The disposition of criminal complaints adjudicated in SFY 2018-19 was as follows:

Disqualified	568
Not Disqualified	107
Awaiting Decision	391
Benefits subject to recovery	\$5,721,665

The disposition figures for filed criminal complaints are lower than the number of cases referred to the various state attorneys because there was no resolution of a portion of the referrals during the report period. Dispositions of criminal complaints against individuals contain multiple program violations (SNAP, TANF, and Medicaid), therefore separate data for only food assistance violations is unavailable. Court actions result in a single disposition against the individual, which includes all program violations.

7. Electronic Benefits Transfer (EBT)

Subsection 414.095(14), F.S., limits the use of TANF benefits out of state to 30 consecutive days. Recipients using benefits out of state for more than 30 days with no subsequent in-state usage must have their temporary cash assistance benefits terminated unless the Department determines the recipient is temporarily absent and has intent to return to the state. Activities and accomplishments during SFY 2018-19 related to this provision are as follows:

- 190 households used their benefits out of state for 30 days or more
 - 2 (1%) were verified as temporary absence.
 - 115 (61%) households failed to verify temporary absence and the recipient's intent to return to the state and were closed.
 - 73 (38%) were pending.
- No rule development was required for implementation of this provision.

Subsection 402.82(4), F.S., restricts the use of EBT cards at gaming facilities, liquor stores, and adult entertainment establishments. EBT fraud reduction activities and accomplishments related to this implementation in SFY 2018-19 are as follows:

- The EBT vendor blocked access to 1,357 transactions for \$71,885.90 in benefits at these establishments.
- No rule development was required for implementation of this provision.



**State of Florida
Department of Children and Families**

Ron DeSantis
Governor

Chad Poppell
Secretary

December 27, 2019

Chris Spencer, Policy Director
Governor's Office of Policy and Budget
Executive Office of the Governor
1601 The Capitol
Tallahassee, FL 32399-0001

Dear Mr. Spencer:

Thank you for the opportunity to submit the Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations report as required by section 414.34, Florida Statutes.

This report contains data provided by the Department of Financial Services, Division of Public Assistance Fraud and the Department of Children and Families, Office of Economic Self-Sufficiency. This report has also been sent to the President of the Senate, the Speaker of the House of Representatives and the Department of Financial Service's Division Director of Public Assistance Fraud.

If you have any questions, please contact Taylor Hatch, Assistant Secretary of the Economic Self Sufficiency Program, at (850) 717-4691.

Sincerely,

Chad Poppell,
Secretary

Enclosure

cc: The Honorable Travis Cummings, Chair, House Appropriations Committee
The Honorable MaryLynn Magar, Chair, House Health Care Appropriations Subcommittee
The Honorable Ray Rodrigues, Chair, House Health and Human Services Committee
The Honorable Mel Ponder, Chair, House Children, Families, and Seniors Subcommittee
The Honorable Rob Bradley, Chair, Senate Appropriations Committee
The Honorable Aaron Bean, Chair, Senate Health and Human Services Committee
The Honorable Lauren Book, Chair, Senate Committee on Children, Families, and Elder Affairs

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Mission: Work in Partnership with Local Communities to Protect the Vulnerable, Promote Strong and Economically Self-Sufficient Families, and Advance Personal and Family Recovery and Resiliency



**State of Florida
Department of Children and Families**

Ron DeSantis
Governor

Chad Poppell
Secretary

December 27, 2019

The Honorable José R. Oliva, Speaker
Speaker of the House of Representatives
420 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300

Dear Mr. Speaker:

Thank you for the opportunity to submit the Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations report as required by section 414.34, Florida Statutes.

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If you have any questions, please contact Taylor Hatch, Assistant Secretary of the Economic Self Sufficiency Program, at (850) 717-4691.

Sincerely,

Chad Poppell,
Secretary

Enclosure

cc: The Honorable Travis Cummings, Chair, Appropriations Committee
The Honorable MaryLynn Magar, Chair, Health Care Appropriations Subcommittee
The Honorable Ray Rodrigues, Chair, Health and Human Services Committee
The Honorable Mel Ponder, Chair, Children, Families, and Seniors Subcommittee

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700



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Ron DeSantis
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Chad Poppell
Secretary

December 27, 2019

Jack Heacock, Director
Division of Public Assistance Fraud
Department of Financial Services
200 East Gaines Street
Tallahassee, FL 32399-0385

Dear Mr. Heacock:

Thank you for the opportunity to submit the Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations report as required by section 414.34, Florida Statutes.

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If you have any questions, please contact Taylor Hatch, Assistant Secretary of the Economic Self Sufficiency Program, at (850) 717-4691.

Sincerely,

Chad Poppell,
Secretary

Enclosure

cc: The Honorable Travis Cummings, Chair, House Appropriations Committee
The Honorable MaryLynn Magar, Chair, House Health Care Appropriations Subcommittee
The Honorable Ray Rodrigues, Chair, House Health and Human Services Committee
The Honorable Mel Ponder, Chair, House Children, Families, and Seniors Subcommittee
The Honorable Rob Bradley, Chair, Senate Appropriations Committee
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The Honorable Lauren Book, Chair, Senate Committee on Children, Families, and Elder Affairs

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Chad Poppell
Secretary

December 27, 2019

The Honorable Chair Mel Ponder
House Children, Families, and Seniors Subcommittee
214 House Office Building
402 South Monroe Street
Tallahassee, FL 32399-1300

Dear Chair Ponder:

Thank you for the opportunity to submit the Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations report as required by section 414.34, Florida Statutes.

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If you have any questions, please contact Taylor Hatch, Assistant Secretary of the Economic Self Sufficiency Program, at (850) 717-4691.

Sincerely,

Chad Poppell
Secretary

Enclosure

cc: The Honorable Travis Cummings, Chair, Appropriations Committee
The Honorable MaryLynn Magar, Chair, Health Care Appropriations Subcommittee
The Honorable Ray Rodrigues, Chair, Health and Human Services Committee

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700



**State of Florida
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Ron DeSantis
Governor

Chad Poppell
Secretary

December 27, 2019

The Honorable Bill Galvano
President of the Florida Senate
409 The Capitol
404 South Monroe Street
Tallahassee, FL 32399-1100

Dear Mr. President:

Thank you for the opportunity to submit the Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations report as required by section 414.34, Florida Statutes.

This report contains data provided by the Department of Financial Services, Division of Public Assistance Fraud and the Department of Children and Families, Office of Economic Self-Sufficiency. This report has also been sent to the Speaker of the House, the Director of the Governor's Office of Policy and Budget and the Department of Financial Service's Division Director of Public Assistance Fraud.

If you have any questions, please contact Taylor Hatch, Assistant Secretary of the Economic Self Sufficiency Program, at (850) 717-4691.

Sincerely,

Chad Poppell,
Secretary

Enclosure

cc: The Honorable Rob Bradley, Chair, Appropriations Committee
The Honorable Aaron Bean, Chair, Health and Human Services Committee
The Honorable Lauren Book, Chair, Committee on Children, Families, and Elder Affairs

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**State of Florida
Department of Children and Families**

Ron DeSantis
Governor

Chad Poppell
Secretary

December 27, 2019

The Honorable Chair Lauren Book
Senate Committee on Children, Families, and Elder Affairs
520 Knott Building
404 South Monroe Street
Tallahassee, FL 32399-1100

Dear Chair Book:

Thank you for the opportunity to submit the Administrative Complaints and Disciplinary Actions Involving Food Assistance Violations report as required by section 414.34, Florida Statutes.

This report contains data provided by the Department of Financial Services, Division of Public Assistance Fraud and the Department of Children and Families, Office of Economic Self-Sufficiency. This report has also been sent to the President of the Senate, Speaker of the House, and the Director of the Office of Policy and Budget, and the Division Director of Public Assistance Fraud with the Department of Financial Service.

If you have any questions, please contact Taylor Hatch, Assistant Secretary of the Economic Self Sufficiency Program, at (850) 717-4691.

Sincerely,

Chad Poppell,
Secretary

Enclosure

cc: The Honorable Rob Bradley, Chair, Appropriations Committee
The Honorable Aaron Bean, Chair, Health and Human Services Committee
The Honorable Bill Galvano, President of the Florida Senate
The Honorable José R. Oliva, Speaker

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