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**Subject: Program Abuse and Sanctions  
Employee and Client**

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Effective Date: April 1, 2016

Revised from: October 1, 2014

**Policy:** Alleged WIC program abuse by employees shall be reported to the appropriate local agency (LA) and state agency (SA) staff for investigation and resolution. The SA and LA shall address employee fraud and abuse by imposing appropriate sanctions.

The State and Local Agencies shall address program abuse by clients by imposing appropriate sanctions. In determining whether or not to impose a sanction, the SA or LA shall consider potential hardship to the client and the impact on the client's nutrition and health status. The LA may request guidance from the SA regarding specific client hardship issues. The LA shall provide clients written notification of all sanctions including any assessed claims. Prior to receiving written notification, the client shall be made aware of the impending sanction either by way of a phone call or during a previously scheduled appointment.

Clients who request a fair hearing within 60 days of the notification date will continue to receive WIC benefits until the hearing decision is made or the certification period expires, whichever occurs first.

The LA through the SA, when appropriate, shall refer clients who violate program requirements to Federal, State, or local authorities for prosecution under applicable statutes.

**Reference: CFR 7, 246.4(a)(26)**

**Procedure:**

**Sanctions**

The SA determines uniform sanctions that a LA may apply when a WIC client or caregiver abuses the program. The LA is responsible for tracking offenses and sanctioning clients. Sanctions are based on the severity of the abuse and may range from education and a warning letter to suspension from the program for a period of two months up to one year, and/or establishing a claim against the client for the benefits the client received. The LA shall document the disposition of all claims against clients and document in KWIC any sanction imposed on a client. Documentation in KWIC is achieved by recording a complaint about a caregiver. Record complaint under "Clinic Administration"/"Record a Complaint"/"About a Caregiver," select the appropriate caregiver and choose the sanction that best describes the nature of the abuse. Once the alleged program abuse has been addressed with the client, record a note regarding how the program abuse was resolved. To close the complaint, select "Manage Complaints"/"Action Taken" and click "Complaint is Closed."

When more than one abuse at the same time is involved, the sanction shall be based on the more serious abuse.

If the abuse occurs more than 12 months after the last abuse, the LA shall process the abuse as a first offense.

**Maintaining a Sanctions File for Clients and Employees**

The LA shall maintain a client program abuse and sanctions file which documents:

1. The client name and identification number;

2. The date the program abuse was discovered;
  3. The nature of the program abuse;
  4. The associated dollar loss;
  5. How the program abuse was resolved and the date of resolution.
- This file shall be kept on site and made available upon request.

The LA shall also maintain a separate employee fraud and abuse file which documents the same information outlined above.

### **Assessing Claims**

Any client or caregiver who misrepresents or misrepresented circumstances in order to receive food benefits may be required to repay to the WIC Program the full value of benefits the individual received improperly.

The SA or LA shall consider the monetary cost involved when determining whether or not to pursue a reimbursement claim against a WIC client or the client's caregiver when a WIC program abuse has occurred. The SA or LA may determine that initial or subsequent collections would not be cost effective.

If full restitution is not made or a repayment schedule is not agreed upon within 30 days of the client receiving written notification, the SA or LA shall take additional actions to collect the claim until the client has made full restitution or until the SA and client agree to a repayment schedule. The failure of a client/caregiver to pay, when a repayment schedule is agreed upon, may result in suspension from the WIC program. (See Policy: [PRI 02.02.00](#))

The SA or LA shall impose a mandatory one-year suspension if it has been determined that a client/caregiver will be assessed:

1. a reimbursement claim of equal to or greater than \$100.00;
2. a claim, as a result of dual participation, regardless of the monetary amount; or
3. a second or subsequent claim of any amount.

The LA may permit a client to reapply for the Program before the end of a mandatory suspension period if full restitution is made or a repayment schedule is being honored or, in the case of a client who is an infant, child, or under age 18, the LA approves the designation of a proxy who is someone other than the program abuser. To monitor compliance, when a repayment schedule is agreed upon, the client will be placed on monthly check pick up until restitution is complete. (See Policy: [PRI 02.02.00](#))

**Reference:** CFR §246.7, §246.12, §246.9, §246.2

**Procedure:** Clients shall receive notification at least 15 days prior to enforcement of a sanction (See Forms/Administrative Materials: [LA Warning Notification](#)).

The notice must be sent by certified mail or given to the client in person. A client/caregiver shall sign a confirmation of receipt for notification delivered in person. The written notification shall contain:

1. The client's name;
2. date and description of the abuse;
3. non-discrimination and fair hearing clause;
4. correct procedure or instructions to follow; and
5. claim amount and the value of the improperly issued benefits that the individual is required to repay, if reimbursement is requested; and
6. Local Agency signature, title and date.

Repayment of funds shall be made payable to KDHE-WIC and sent to: Kansas Department of Health and Environment, Nutrition and WIC Services, 1000 SW Jackson, Suite 220, Topeka, KS 66612.

The LA shall advise the client of procedures to follow to obtain a fair hearing and when reimbursement is demanded, failure to pay may result in suspension. (See Policy: [PRI 03.01.00](#)) In addition to establishing a claim, the LA shall determine whether a mandatory one-year suspension is required.

Any notice of adverse action shall contain the nondiscrimination statement found in Policy: [PRI 01.01.00](#) Civil Rights Public Notification. The prohibited behaviors and the warnings or sanctions imposed upon clients who engage in prohibited acts include, **but are not limited to**, behaviors listed in the chart that follows.

Number of Incidences of Violation	CATEGORY OF OFFENSE	DESCRIPTION OF OFFENSE	SANCTION
1 <sup>st</sup>	Abuse – Physical or Verbal	Physical abuse, verbally abusing or threatening to physically abuse WIC staff, vendor staff, or WIC clients.	Two-month suspension
2 <sup>nd</sup>			One-year suspension
1 <sup>st</sup>	Abuse – Physical Violence	A violent act against WIC staff, vendor staff, WIC clients, or property. (Any incidence of physical violence against staff or property shall be reported to the police.)	One-year suspension
1 <sup>st</sup>	Eligibility Misrepresentation	Intentionally concealing, withholding, or misrepresenting information (e.g., identity, residency, income, family size, date of birth, health status) in order to obtain benefits.	Two-month suspension
2 <sup>nd</sup>			One-year suspension
1 <sup>st</sup>	Dual Participation [See also <a href="#">Dual Participation Policy: PRI 02.01.00</a> ]	Dual participation – unintentionally enrolled in two WIC clinics or enrolled in a Kansas WIC program and a WIC program in another state during the same month.	Immediate suspension from <b>one</b> of the programs and issuance of a warning letter if the client continues to participate in WIC.
2 <sup>nd</sup>			Two-month suspension

Number of Incidences of Violation	CATEGORY OF OFFENSE	DESCRIPTION OF OFFENSE	SANCTION
1 <sup>st</sup>	Dual Participation – Intentional Misrepresentation [See also <a href="#">Dual Participation Policy: PRI 02.01.00</a> ]	Dual participation - redeeming checks from two WIC clinics, or participating in Kansas WIC and another state WIC program during the same month. The individual intentionally misrepresented himself/herself by purposely enrolling more than once in one program or enrolling in two programs.	Immediate suspension from both programs with issuance of suspension letter. One-year suspension.
1 <sup>st</sup>  2 <sup>nd</sup>	WIC Checks and Fruit and Vegetable Checks (FVC's)	Altering WIC checks/FVC's by changing the client/caregiver name, dates, printed on the face of the WIC check/FVC.	Issue warning letter and counsel client/caregiver on proper WIC check use, emphasizing prevention of the error.  Two-month suspension
1 <sup>st</sup>  2 <sup>nd</sup>	WIC Checks and FVC's	Altering WIC checks/FVC's by changing the size, increasing the quantity/amount, or adding WIC or non-WIC items in order to receive extra or inappropriate benefits.	Two-month suspension  One-year suspension
1 <sup>st</sup>	WIC Checks and FVC's	Redeeming WIC Checks/FVC's that were reported as lost or stolen. Replacement checks were not redeemed.	Issue warning letter and counsel client/caregiver on proper WIC check use, emphasizing prevention of the error.
1 <sup>st</sup>  2 <sup>nd</sup>	WIC Checks and FVC's	Redeeming WIC checks/FVC's that were reported as lost or stolen, as well as the checks issued as replacement checks. Thus, resulting in <b>duplicate</b> benefits.	Two-month suspension  One-year suspension
1 <sup>st</sup>  2 <sup>nd</sup>	WIC Checks and FVC's	Selling, trading or giving away WIC checks or FVC's.	Two-month suspension  One-year suspension



