

# **NYS Office of Children and Family Services**

## **Child Care Program Integrity (CCPI) Technical Solution Initiative**

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**NYPWA**

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**Sheila J. Poole**  
*Acting Commissioner*

**Andrew M. Cuomo**  
*Governor*



# Mission of OCFS

“Promoting the safety, permanency, and well being of our children, families, and communities. We will achieve results by setting and enforcing policies, building partnerships, and funding and providing quality services.”



**Where are we in  
Fighting Childcare  
Subsidy Fraud?**



# Child Care Program Integrity (CCPI)

- The technical solution project is developed
- Currently in final integration and testing
- Pilot operation to start in August 2014
- Statewide rollout starting September 2014



# CCPI

## What's in it for LDSS Workers?



# Benefits to LDSS Workers

- Common system with fraud investigators
- Referrals to fraud investigators and share same data and case management resources
- Knowledge and intelligence gained in other counties propagate to all counties
- Cases escalated in other counties that affect local county will surface
- Detect outliers in data that may be systemic to local county



CCPI will evaluate and analyze large amounts of data from different sources and provide actionable information to local district staff and fraud investigators in New York State.



# CCPI

**What is it?**

**How does it Work?**

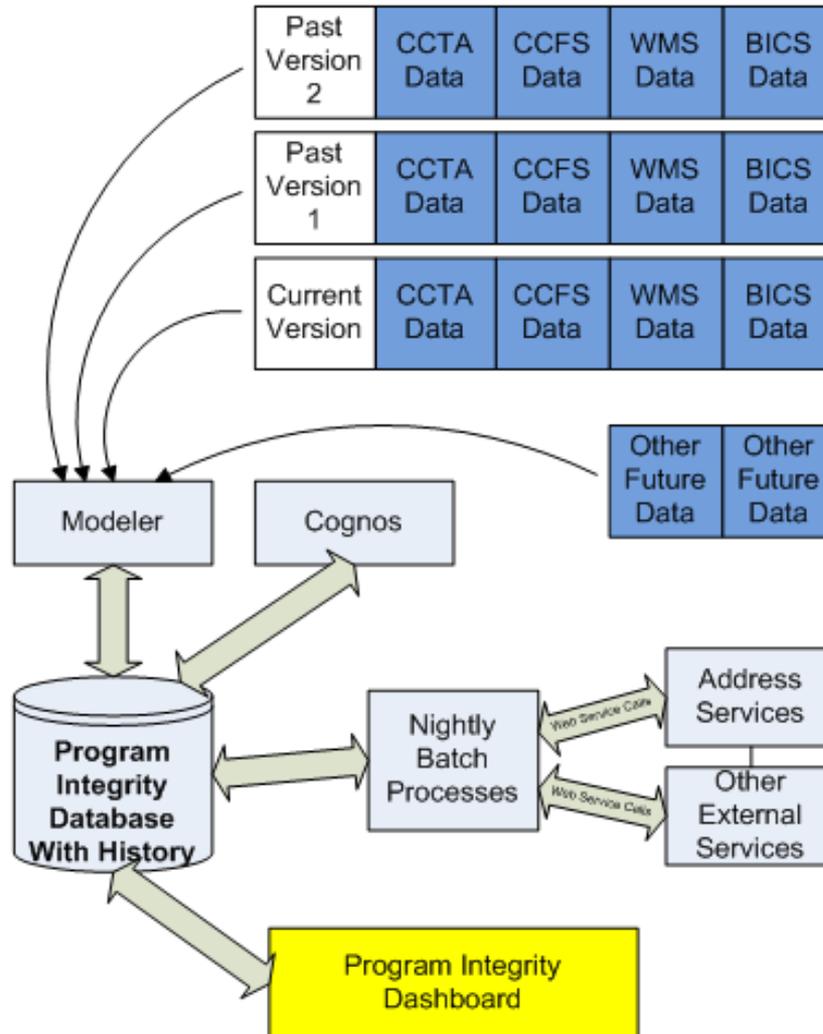


# CCPI Data Sources

- Review data elements from various sources
  - CCTA (including schedules, actual attendance records, payments, and child and parent demographic information)
  - BICS (payments)
  - WMS (through CSOS)
  - CCFS
- Detect patterns in data across the data sources that would be difficult for humans to see



# CCPI Structure and Data Sources



# CCPI Methodologies

- Data mining using current data and historic data to detect patterns
- Finding outliers - i.e. data patterns for situations that are different from the norm
- Analyze data based on red flags (potential fraud indicators)
- Combine different indicators and assign potential fraud scores



# Indicators Developed Based on:

- Cooperation and data sharing between OCFS and other states (Wisconsin, California, etc.)
- Feedback from task groups
- Published literature and fraud conferences
- Domain expert experience with child care subsidy fraud by OCFS, LDSSs and vendors
- Input from fraud experts at systems vendors



# CCPI Indicators (Red Flags)

- Licensed Capacity
- Perfect Attendance
- Never Closed
- Hours Billed
- Driving Distance
- Provider Overrides
- Precise Attendance
- Multiple Locations
- Legal Entity
- Correctional Facility
- Inconsistent Demographics
- Parents Employed
- Ineligible Provider
- Matched Demographics
- Payments over Threshold
- Payments to PO Boxes
- Disproportionate Authorizations
- Disqualified CACFP
- Excessive Amounts
- Children Moving
- Second Shift
- Outside Business Hours



# List of Indicators

- Attendance exceeds licensed capacity by a predetermined threshold relative to licensed capacity
- Providers billing for children with perfect or above average attendance rates for extended periods of time
- Programs that are never closed (open on holidays, etc.)
- Excessive number of hours billed on a daily basis (e.g., billing for more than a standard shift of care)



# List of Indicators, cont.

- Analysis of the distance between the provider's and the child's home and parent's work (excessive travel between the three points)
- Excessive numbers of provider overrides of entries in the CCTA system
- Children's sign-in/sign-out times are consistently the same (precise attendance)
- Same child being billed at multiple locations at the same/similar time



# List of Indicators, cont.

- Multiple Family/Group Family Day Care programs operated by the same legal entity
- Checks mailed to a correctional facility (any correctional facility in the State of New York)
- Inconsistent data - names, dates of birth, addresses, social security numbers, etc.
- Parents employed by providers
- Checks mailed to providers when they were not eligible for payment



# List of Indicators, cont.

- Providers and families with the same phone numbers/addresses/dates of birth
- Total value of payments to a provider exceed a predetermined threshold (based on a licensed capacity times dollar amount formula)
- Payments that are sent to Post Office boxes or commercial mailboxes (e.g., UPS store)



# List of Indicators, cont.

- Disproportionate caseworker authorizations (higher than average referrals to one program by worker or higher than average volume identifying eligible children)
- Payment amounts exceed adjustable threshold
- Children moving between providers over adjustable threshold
- Care provided in second/third shift over first shift over adjustable threshold
- Children have attendance outside of provider business hours



# Strategy with Indicators

- Indicators are evaluated individually
- Scores from indicators are combined and aggregated
- System is capable of “learning”
- Over time, some indicators lose significance and others gain significance
- System is flexible and new indicators can be added in the future to contribute to scoring



# The CCPI Dashboard

- Login by local district fraud investigators
- Filters cases by district
- Provides actionable information on cases to investigate
- Organizes case record output by score
- Provides background information through drill-down capabilities
- Manages cases as they progress



# Demo of Test System





# Questions?

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**<http://www.ocfs.state.ny.us/main/childcare>**