

Welcome to DHB - Office of  
Compliance & Program  
Integrity Workshop:

Expanding Your Horizon to  
Identify Leads through  
Investigation Activities



# Presented By:

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# Investigation Leads

Jim Brian, Deputy Director  
Medicaid Investigations Division

# UNTANGLE THE WEB

CASE STUDY:

Questionable Household Composition  
and Income Claim

SOCIAL SERVICES INSTITUTE

HICKORY, NC

AUGUST 2022

“

*Oh, what a tangled web we  
weave. When first we practice to  
deceive.*

”

Felicia Marmion, *The Homes of England*

# Mary and Mark

- ▶ Continuously receiving FNS, MA for the children since 2008-Sporadic MA for parents
- ▶ Combined household with four children in 2008. By 2011 total 6 children
- ▶ Mark was laid off in 2008 and unemployment benefits ended in 2009
- ▶ FNS and Medicaid continued until January 2012 with no reported income.
- ▶ January 2012, Mary reported that Mark had moved out and paid \$1000.00 per month in child support.
- ▶ In March 2012, she reported he paid \$800.00 per month
- ▶ By the end of 2012, she reported that he paid the bills, but did not pay her any child support. She continued to report this through 2013.
- ▶ February 2014, FNS terminated for failure to recertify
- ▶ May 2014, Mary and Mark purchased new home for more than \$670,000.00



What red flags stood out to you?

# Mary and Mark

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# The current value of home \$670,000+ in Durham County, NC

- ▶ 4,525 heated square feet
- ▶ Four bedrooms, four baths
- ▶ Twelve rooms total
- ▶ Four car garage
- ▶ 1+ acre wooded lot

# Four Car Garage?

- ▶ Cadillac Escalade
- ▶ Cadillac Sedan
- ▶ BMW M5
- ▶ Dodge Durango
- ▶ Chevrolet Express Van
- ▶ Victory Trailer

# Red Flags

- ▶ No Income
- ▶ Amount of Child Support (\$1,000 month)
- ▶ Change in Child Support 3 months later
- ▶ Home/Property purchased together
- ▶ 4 Vehicles



# Online Resources

What online resources (such as Public Records or Internet searches) could you utilize to investigate this case?

# Using the NET

- ▶ Durham County Tax Department
- ▶ Zillow
- ▶ Face Book
- ▶ Linked In
- ▶ Yahoo - Acme Heating and Air
- ▶ Driver's License Records
- ▶ Voter Registration Records
- ▶ NC's Heating and Air licensing agency
- ▶ Accurint/Lexis Nexis

# Public Records

- ▶ Deed
- ▶ Deed of Trust
- ▶ Filing for LLC with Secretary of State
- ▶ Marriage License
- ▶ Children's Birth Certificates
- ▶ Criminal Records
- ▶ Clerk of Courts

# Information You Already Have

- ▶ Applications and recertifications - All Programs
- ▶ Limited checking statements with several deposits - Joint Account
- ▶ How case head explained the deposits and how they paid their bills
  - ▶ Sold a car
  - ▶ Sold my husband's guitar
  - ▶ Cash Birthday Presents
  - ▶ Cash Christmas Presents
- ▶ 2009 return received in 2011- an FNS IPV claim had already been established

# Acme Heating and Air

- ▶ 2009, 2011, and 2012 tax returns - Self employment income less than \$30,000.00. All joint with Mary, received refund for Earned Income Credit and Child Tax Credit.
- ▶ 2013 return reported self employment of more than \$100,000.00
- ▶ 2009 return also revealed Mark was a student of higher education
- ▶ 2011, 2012, and 2013 returns show credit for repaying student loans
- ▶ 2011, 2012, and 2013 returns received during investigation



# Catching Lies

## ▶ Honey or Vinegar?

- ▶ Record the conversation
- ▶ Identify yourself
- ▶ Pleasant voice
- ▶ Polite and respectful
- ▶ Don't lie
- ▶ NO attitude

# Honey Results - Mark

- ▶ Admitted they were intact family the entire time
- ▶ Admitted he was working HVAC when wife reported 'No Income'
- ▶ He took a phone call from an employee who was on a job site
- ▶ Admitted he told his wife to stop getting FNS when his business 'took off'
- ▶ Asked if the children could continue receiving Medicaid
- ▶ Admitted he paid rent and utilities for family
- ▶ Called mortgage company and asked them to send me a copy of his application
- ▶ Provided copies of bank statements for his personal use account

# Honey Results - Mary



# Claims

- ▶ Total \$100,000. +
- ▶ District Attorney's Office had the case
- ▶ After one full year and a warrant had not been issued, we asked the DA's office to release the case back to us.
- ▶ FNS ADH with State Level Hearing on Mary
- ▶ She was found to have committed an IPV in both local and state hearings.
- ▶ Both Mark and Mary are debtors on all claims.

Questions ???

# COMING SOON FOR MEDICAID!!!!



Complaint and Investigation System (C&I)



New system to refer complaints received by the state to local county DSS agencies.



Notification of complaint email



Portal Registration



Accessing system and case information



Listserv Message with formal instructions

# Case Requires Attention Notification

- ▶ Counties will receive an email from [ncgov@servicenowservices.com](mailto:ncgov@servicenowservices.com) with a link to the record.

**Subject:** Case (*number*) Under (*investigation phase*) Requires Attention

Good Morning/Afternoon,

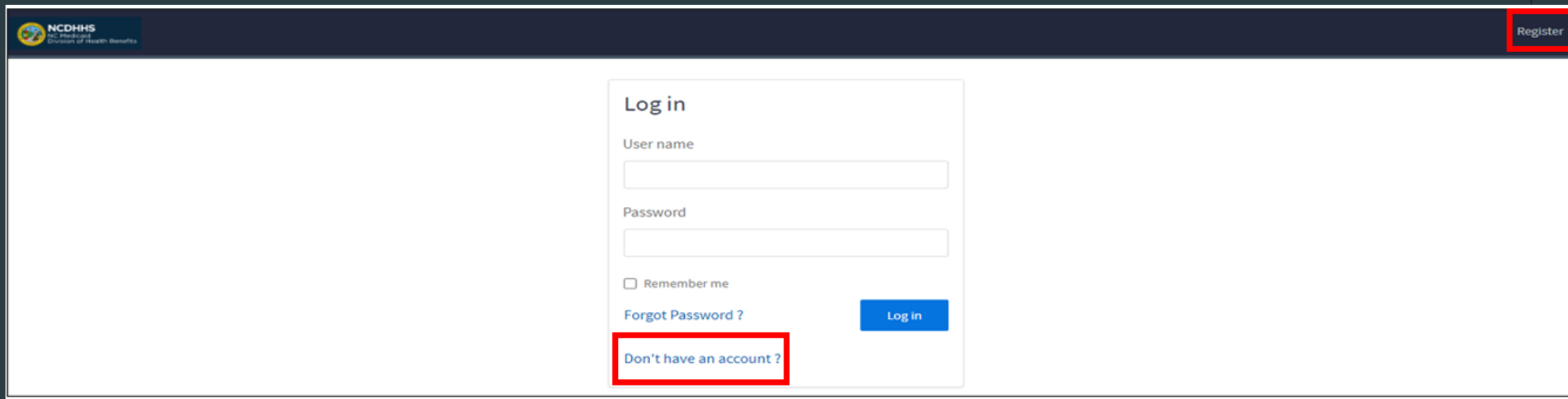
Please review the complaint or referral received by the NC Medicaid Office of Compliance and Program Integrity. This referral should be processed in accordance with your organization's standard operating procedures.

To view details of the complaint or referral please [Click Here](#).

Thank You.

# Portal Registration

- ▶ The first time a county receives notification of a complaint case, registration in the C&I Case View Portal will be required.



The screenshot shows the user interface for the C&I Case View Portal. In the top left corner, there is a logo for NCDHHS (North Carolina Department of Health and Human Services) with the text "NCDHHS NC, 1968-2013 Division of Health Benefits". In the top right corner, there is a red-bordered button labeled "Register". The main content area features a "Log in" form with the following elements: a "User name" label above a text input field, a "Password" label above a text input field, a checkbox labeled "Remember me", a blue "Log in" button, a link for "Forgot Password?", and a link for "Don't have an account?". The "Don't have an account?" link is highlighted with a red border.



# Portal Registration Cont'd

\* Indicates required

## Complaint and Investigations Registration

**WARNING**


This is a government computer system and is the property of the State of North Carolina. This system is restricted to authorized users **ONLY**. Unauthorized access, use, misuse, or modification of this computer system or of the data contained herein or in transit to or from this system may subject an individual to administrative disciplinary actions, as well as to criminal and civil penalties. Users shall have no expectation of privacy in using or accessing this system. This system and equipment are subject to monitoring procedures to ensure proper performance of applicable security features or processes. This monitoring may result in the acquisition, recording, and analysis of all activity and data being communicated, transmitted, processed, or stored in this system by a user. If monitoring reveals possible evidence of criminal activity, such evidence may be provided to Law Enforcement Personnel.

**THE USE OR OTHER ACCESS OF THIS SYSTEM CONSTITUTES AN EXPRESS CONSENT TO SUCH MONITORING**

\* First name

\* Last name

\* Contact Number

\* Email  

**Sign Up**

Required information

**First name** **Last name** **Contact Number** **Email**

# List of Cases

- ▶ Once logged in, you will be able to view a list of cases that require your attention. Click the “Number” on each record to view the details.

Home > Your Cases		
Cases		
Number	Task type	Short description
REF0001071	FWA Submission Case	
INV0001053	Complaint Investigation Case	

< > Rows 1 - 2 of 2

# Contacts

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