

WAC 110-15-0277 Provider program violations and suspected fraud.

Eligible child care providers described in WAC 170-290-0125 must comply with all provider responsibilities listed in WAC 170-290-0034. Failure to comply causing a provider overpayment will result in a program violation finding and may cause the agency to impose sanctions.

(1) Administrative errors are payment discrepancies which result from a departmental mistake. Provider overpayments caused by administrative error still require repayment of ineligible amounts. Administrative errors will not result in a finding of a program violation.

(2) An unintentional program violation is an overpayment resulting from a provider's error and not caused with willful knowledge.

(a) An unintentional program violation can include a provider's unfamiliarity with program rules and requirements.

(b) Any unintentional provider error resulting in an overpayment will result in department consultation with the provider.

(c) The department tracks all unintentional program violations in order to identify program improvement areas.

(d) Unintentional program violations require provider repayment of ineligible funds.

(3) An intentional program violation is an overpayment caused by a provider's willful failure to comply with program rules.

(a) Any repeated misrepresentation of invoices or other information submitted to the department or failure to submit documentation upon request is an intentional program violation.

(b) If a provider has been consulted by the department for billing concerns and overpayment but then continues to have overpayment findings, then the department will impose sanctions as listed in WAC 170-290-0279.

(c) Overpayments caused by intentional program violations require provider repayment of ineligible funds.

(d) Beginning March 1, 2018, all intentional program violations will be cited by the department, and providers with more than three instances of intentional program violations will be subject to review for program ineligibility.

(i) The department has discretion to impose additional sanctions if a provider has more than three instances of intentional program violations.

(ii) As per WAC 170-290-0280 and 170-290-0285, a provider can dispute the department's finding of program ineligibility.

(4) Suspected fraud is a departmental determination resulting in referral to the office of fraud and accountability (OFA) at the department of social and health services (DSHS).

(a) Program fraud is defined in RCW 74.04.004. Program staff at the department of early learning and DSHS do not criminally investigate fraud. OFA conducts criminal investigations and pursues prosecution of program fraud.

(b) Departmental program staff will identify instances of suspected fraud when facts available to the department indicate the provider willfully violated program rules. This includes repeated instances of misrepresentation.

(c) Program staff will not inform the provider when suspected fraud is referred to OFA.

(d) Providers convicted for program fraud are permanently barred from future participation in the program as a child care provider or consumer.

[WSR 18-14-078, recodified as § 110-15-0277, filed 6/29/18, effective 7/1/18. Statutory Authority: RCW 43.215.060, 43.215.070 and 2017 3rd sp.s. c 1 § 615. WSR 17-23-033, § 170-290-0277, filed 11/7/17, effective 12/8/17.]