

## **Clinic Fraud and Abuse**

- I. Documentation of clinic fraud or abuse. If the State Agency determines that fraud or abuse of the WIC Program occurred by a clinic employee, a letter describing the details of the alleged abuse, including how the employee benefited for the alleged abuse and the total dollar loss to the Program, will be sent to the State WIC Office.
- II. If the alleged abuse has occurred at the State Agency, the MCH office director will investigate the allegations and provide written documentation of the outcome including any dollar loss to the WIC Program.
- III. If there is credible evidence that fraud and abuse in excess of \$1,000 or other major criminal activity has occurred, the state agency should immediately advise the Southwest Regional Office of the Food and Nutrition Administration, which will refer the case to Office of Inspector General. The state agency should hold further investigative/administrative action in abeyance, including referral to state, local, or other federal law enforcement authorities, pending Office of Inspector General's decision on whether it will assume the investigation.
- IV. This policy applies to fraud and abuse in any FNA programs involving state agencies, local agencies, contractors, vendors, farmers, participants, or anyone else. Thus, state agency stakeholders or cooperators such as contractors must immediately report known or suspected instances of significant fraud and abuse to the state agency, so that the state agency may expeditiously refer such matters to the Southwest Regional Office. State agencies must remind their stakeholders and cooperators of this responsibility.