

## **9. Choctaw Nation of Oklahoma Site Visit Summary Report**

### **I. Background**

The Choctaw Nation ITO WIC agency in Durant, OK, was visited the week of September 11, 2000.

The Choctaw Nation Indian Tribal Organization (ITO) is located in the southeastern corner of Oklahoma. This area is an overwhelmingly rural area that has been historically inhabited by members of the Choctaw and Chickasaw tribes. Low-income women and children in southeastern Oklahoma have the option of turning to the State or to either tribe to receive WIC benefits. This option exists because, unlike the Indian Nations with traditional reservations, each Indian Nation in Oklahoma has a designated geographic area but does not have exclusive jurisdiction over the area.

No tribe in Oklahoma operates its WIC services for the exclusive benefit of its tribal membership. There is no specific residency or Native American heritage requirement in place to limit participation. Since the eligible population for the Choctaw WIC Program is not defined by specific geographic or membership boundaries, its service delivery areas overlap with those of other governing entities. Food retailers authorized as vendors by the Choctaw WIC Program are also authorized by the State.

Given the unique situation in which Choctaw tribal lands are served by both Oklahoma and the Choctaw Nation WIC Program, many opportunities for dual participation exist. Often, non-Native American participants will be served by Choctaw Nation WIC, if Choctaw clinics are much closer to their residence than a State clinic. The situation is similar for the other WIC ITOs in Oklahoma. In response to this unique challenge, the State and the ITOs have established an agreement to share information on WIC participants. For the purpose of identifying dual participants, the State and the ITOs have set the standard of dual participation to reflect the receipt of two sets of benefits rather than registration in two programs.

#### ***WIC Program Organization***

Choctaw Nation of Oklahoma operates its tribal headquarters in Durant, OK. To service the needs of those living in tribal lands, as well as Choctaw Nation tribal members in areas that are not geographically contiguous, tribal administration includes a social service division, headed by an executive director for social services, a position that is appointed by the chief of the Choctaw Nation. This division operates and is accountable for the administration of the WIC services. The WIC Program is run by a WIC director and maintains a small staff at the central office that performs data entry, voucher transaction and redemption, coordination of nutrition education and voucher issuance.

The Choctaw Nation WIC Program employs a vendor clerk, WIC director, a nutrition coordinator, a data entry/management information operator, and part-time employees who handle paper work, filing, and redemption issues. The nutrition coordinator manages the nutrition education program and the breast-feeding program, including traveling to the field for appointments with patients and supervising care for high-risk patients.

The WIC program also employs a field staff of five full-time paraprofessionals, who conduct certifications, issue vouchers, and provide nutritional counseling and education. These staff members deliver services at 14 sites-all of them operating at least 2 days per month. The Program maintains secure storage at each site for files and food instruments. The Choctaw Nation WIC Program serves about 2,300 participants each month.

### ***Management Information System***

The Choctaw Nation of Oklahoma WIC Program uses a centralized MIS to maintain client records. This system is operated out of the Durant administrative office and retains all client registration, issuance and certification information. The system runs on the Choctaw Nation's AS400 computer system, which is used for all of the tribe's centralized information systems. At the clinic sites, certification information is recorded on hard-copy forms, and the only participant information is in paper files.

The certification forms are mailed or hand-delivered to the data entry/MIS operator at the central office, who keys the data into the MIS. The same staff member generates all preprinted vouchers and updates the database with information from the clinics when vouchers have been picked up or voided. Another staff member enters information on all redeemed vouchers into the MIS. This separation of duties is enforced by a security system that gives no one but the WIC director the authority to enter both certification and redemption data.

When a change needs to be made to a participant record in the MIS, the paraprofessional indicates the change on the turnaround form previously generated from the MIS data. The paraprofessional mails the top copy of the form to the data entry operator and keeps a carbon copy. The data entry operator updates the system and mails an updated turnaround form back to the paraprofessional to confirm that the MIS has been updated. As with the initial registration process, this centralized entry serves as a check on the legitimacy of the changes to the MIS. For example, any new prescription must use a code accepted by the MIS.

## **II. WIC Program Operations and Processes**

### **A. Certification**

When an applicant contacts the Choctaw Nation to apply for WIC, she is referred to the paraprofessional at the nearest clinic site, who schedules an appointment and informs the applicant of the documentation requirements. The WIC paraprofessional obtains documentation of the applicant's identity, residence, and income, and then performs a nutritional assessment. (High-risk participants are certified by paraprofessionals, but they are referred to the nutritionist for nutritional counseling.) All certification information is recorded on a multipart form, which both the participant and the paraprofessional sign.

The paraprofessional keeps one copy of the certification form for the clinic files and sends another copy to the central office for entry into the database. The MIS operator enters the information, prints out a multipart form that mirrors that database screen, and sends this form to the paraprofessional. The turnaround form serves the paraprofessional as a reference tool in lieu of access to the database.

Each new participant receives the WIC handbook, which explains program procedures and participants' rights and responsibilities. The paraprofessional reviews the highlights of the handbook with the participant, who signs a form indicating receipt of the handbook and acknowledging the terms of participation.

### ***Verification of Participant Identification, Income and Residency***

Choctaw Nation accepts the usual variety of identification documents, such as drivers' licenses and birth certificates. In addition, a Native American applicant can provide a Certificate of Degree of Indian Blood, which is issued by the tribe as proof of eligibility for certain benefits. Each participant is given a WIC ID folder, which lists the names and WIC ID numbers of participants, the signature of the adult family member and the proxy (if any), and appointment dates. This folder also contains information on allowable foods and scheduled appointments. When additional documentation is needed or a recertification is due at the next appointment, the paraprofessional places a notice in the ID folder. Vouchers are placed in the ID folder, and the participant uses the folder as identification when transacting vouchers.

Income documentation has been a program requirement for at least 15 years. The Program has maintained that a copy of documentation presented be kept in a participant file at the clinic site. This has led to a relative ease of obtaining client financial information under new Federal regulations. This situation has not existed in other WIC Programs such as the one in Oklahoma. A weekly pay stub is the most commonly presented form of documentation by clients. This is accompanied by an attempt on the part of staff to ascertain whether the wages earned are typical for an average work week.

For adjunctive eligibility, acceptable documentation is a current identification card for the following programs: Food Stamps, TANF or Food Distribution on Indian Reservations. If the applicant has no income, she must file a statement to this effect. If income documentation is not available at the time of certification but the participant is determined to be income-eligible, she can receive 1 month's benefits and must provide the documentation at the next month's visit. This provision does not appear to be used often and does not seem to pose a significant risk to program integrity.

Like many WIC Programs, Choctaw Nation WIC faces challenges in determining income eligibility. Staff members are unsure how to count numbers of residents in any given household. Often it is difficult to ascertain whether young mothers are economically independent from their parents. Sometimes a husband will not share financial information with his wife. Without this information, staff cannot certify the income eligibility of the household. The WIC director notes that despite these problems, few applicants have income levels that are above the WIC limit, in part because the poverty rate in the area is high.

### ***Assignment of Proxy***

The participant (or parent/guardian) can designate a proxy to pick up vouchers for appointments other than recertifications, either at the time of certification or by sending a note with the proxy at the time of the appointment. When a proxy picks up vouchers, he or she must present a photo ID to confirm identity. Only one month's vouchers are issued, so that the participant must come in for nutrition education.

### ***Comprehensive Dual Participation Check***

Dual participation exists as the most likely area for fraud. Within the Choctaw WIC program, screening procedures and the use of the centralized MIS serve as checks on dual participation. WIC paraprofessionals are trained to ask applicants whether they are now or have been a WIC participant elsewhere. If the applicant is transferring from another tribal or State agency, she is asked (but not required) to turn in any unredeemed vouchers. If the data entry operator attempts to open a new record for a participant who is already on the database, the MIS will stop the entry process and generate an alert. This match can be made based on Social Security number or name and date of birth. However, this data check does not occur until the certification data are entered at the central office, so the participants have already been issued at least 1 month of vouchers at the time that detection of dual participation is made.

The Choctaw Nation has developed a strong relationship with the State and other tribal entities in the area to facilitate the sharing of WIC participant information to perform joint dual participation checks. An agreement between the State agency and tribal organizations brought consensus over the creation of a computer matching system and what information is to be shared through its use. Once a quarter, the State runs a match of all participants based upon name, date of birth, address, and categorical status.

To accomplish this, data from all Oklahoma tribes are uploaded into the State database. Any matches based upon these fields are coded as possible cases of dual participation and referred to the affected agencies for investigation. Prior to the ability to check dual participation by this batch system, State agencies and tribal organizations would perform manual checks. This was a complex process since larger tribes would have to check their rosters against those of every smaller tribe and also the State's roster.

There are some existing difficulties in this process. The chief limitation is that overlapping participation can occur for 3 or more months until it is detected by the report. Choctaw Nation and the other participating agencies have amended their agreement to provide more data for the matching process, so that the dual participation report makes it easier to investigate cases of possible dual participation. Choctaw Nation WIC cannot confiscate Oklahoma vouchers when a transfer arrives. In this way, Choctaw Nation cannot ensure that State vouchers will not be spent once Choctaw Nation vouchers are received.

The frequency of true dual participation is rare. Choctaw Nation has only had one case of dual participation in 2½ years. The current system benefits the State agency because the program is able to catch dual participants. The State detected five potential dual participants within the last quarter.

Participant sanctions are determined by the agency that first certified the participant. Violators are suspended from receiving vouchers, but they can continue to receive nutrition education. The last clinic visited continues as the service provider once sanction from the first clinic has been satisfied.

### ***Personal Knowledge of Clients by Staff***

Choctaw Nation shares a number of characteristics with small WIC Programs. WIC serves an area that is overwhelmingly rural, with a relatively small client base. Many of the staff live in the community in which they work. Choctaw Nation staff share a special cultural bond with many of the participants they serve.

In addition, Choctaw Nation WIC offers one-on-one nutrition education for all participants. These factors taken in combination contribute to a detailed personal knowledge of the participants and their program histories. Because of this knowledge, staff members are sensitive to the needs of their clients and will notice any unusual patterns of behavior among participants. In addition to improve customer service, this capability is a check on both program abuse and incidences of child neglect.

The close knowledge of participants helps WIC staff enhance the effectiveness of WIC as a gateway for other programs. Staff members check with participants to ascertain what type of healthcare they receive and whether they qualify for services provided by Indian Health Service clinics. Also, WIC staff members check that children are receiving immunizations. Staff consider such referrals critical because most WIC participants are very poor and will qualify for almost any program recommended, but often do not know of services available to them.

The personal dimension of the Choctaw WIC Program poses a challenge when complaints of participant fraud arise. To avoid conflicts arising from personal relationships, these complaints are referred by paraprofessionals and central staff to the WIC director, who personally initiates the investigation. If she determines that a criminal investigation is needed, she enlists the tribal police. These investigations are rare but there have been a few cases of significant unreported income or benefit trafficking.

### **B. Food Instrument Issuance and Management**

Vouchers for current participants are printed at the central office in a batch process and issued at clinic sites. Voucher issuance is on an alternating 2-month schedule so that central office staff only needs to produce half of the program's vouchers in any given month. In the third or fourth week of each month, the next 1 or 2 months' food instruments are created for each participant who has an appointment in the next month, using the most current information in the MIS. As a way of automatically terminating participation, the MIS will not print vouchers for dates beyond the date that the participant's eligibility ends.

The preprinted vouchers are barcoded with serial numbers and personalized with the participant's name, WIC Program ID and, for most participants, the prescription. The serial number is the identifier for the voucher record in the MIS. The prescription includes any choices of items (e.g., frozen or canned juice), so the participant makes the choice at the time of issuance, and the paraprofessional crosses out the other option. For infants, the voucher does not include the prescription, so that the paraprofessional can modify the prescribed formula without voiding and reissuing the vouchers.

The preprinted vouchers are shipped via United Parcel Service (UPS) or hand-delivered by senior program staff to the paraprofessionals. The vouchers are grouped by site, so that

paraprofessionals serving multiple sites can keep the vouchers separate. The central office maintains a record of which vouchers were sent to each paraprofessional and sends a receipt with the shipment. The paraprofessional signs the receipt and mails it back to the administrative office. The paraprofessionals must account for each voucher at the end of the month. If a paraprofessional does not receive a voucher shipment, the central office can trace it via UPS, but this happens very rarely.

### ***Manual Vouchers***

For a new participant or a participant needing a change of prescription, the paraprofessional manually prepares vouchers using serialized blanks. The blank vouchers for women and children have the food components preprinted, so only the quantities must be written by hand. For infants, the paraprofessional fills in the entire prescription on a blank voucher. As with the preprinted vouchers, the central office tracks the distribution of blank vouchers, and each paraprofessional is responsible for her inventory.

### **C. Voucher/Food Instrument Redemption**

Vouchers consist of three parts. The top (white) copy and the second (yellow) copy are given to participants, while the pink copy is retained by the paraprofessional to be sent back to the central office for data entry. Upon redemption, the store retains the yellow copy, and the white copy is sent to central WIC office to be processed for payment. Each component of a voucher contains the same barcode, so that vouchers can be scanned to update their status.

Choctaw Nation uses dual-signature vouchers, so the participant signs and dates the vouchers at the clinic. Each paraprofessional maintains a daily log for all vouchers issued, listing the voucher numbers and the name of the person picking up the vouchers, and who signs the log.

### ***Voucher Transaction in the Store***

The participant countersigns the voucher in the store after the vendor enters the price. The vendor is expected to check the countersignature against previous signature and the participant's WIC folder. Vendors usually comply with this requirement, because if the signatures on the voucher do not match, the payment will be denied unless the vendor has obtained prior authorization. A participant can send a temporary proxy to transact vouchers, but the vendor must call the central office for an authorization number within 48 hours of accepting the vouchers. This process helps prevent the redemption of lost or stolen vouchers. The central office maintains a record of the vendor and participant names for each authorization number in a logbook, and this logbook is consulted when a discrepancy in the signature is noted during voucher redemption processing.

### ***Internal Accounting Procedures for Voucher Transaction and Redemption***

The Choctaw Nation WIC Program processes the vouchers that are transacted and pays the vendors. The voucher volume is approximately 5,000 vouchers transacted and redeemed per month.

Four different staff members handle food instruments during the redemption process; this is an important check to prevent fraudulent claims by vendors, with or without staff collusion. Receipts must be included with all vouchers when claims are sent to the central office for

redemption. Often, the store manager or cashier initials the receipt and voucher as proof of processing the sale.

First, the central office organizes receipts and vouchers according to batches in which they are received and checks receipts for the presence of non-WIC foods. If a food is not on the approved foods list, WIC will not pay the vendor for the purchase of the item. If store has sold out of WIC-approved food, Choctaw Nation will not deny those items bought in substitution, as long as the shortage is reported in advance of redemption.

Next, staff members check that the signature on the voucher is that of the participant or authorized proxy. If this signature does not match and the vendor did not obtain a temporary proxy authorization number, the entire food instrument purchase is denied. Central office staff total food purchases and the number and amount of items denied, in the process checking the amount the store is claiming payment for, regardless of whether or not any denials were affected. Choctaw Nation will only make payment on a maximum of 50 vouchers, per batch, for a certain store.

Central office staff maintains a spreadsheet with a running total of WIC sales and denials for each store for the current fiscal year. This information is retained in addition to the amount of denials for each store, the voucher numbers that have been paid and batch number. With every batch processed, WIC staff checks the cumulative food amount that is being paid versus the Choctaw Nation allotment of food funds from the USDA.

Vouchers are then scanned into the MIS and coded as transacted. Only two individuals are authorized to do this, a staff member specifically assigned to this task and the director. The vendor number and amount to be paid are entered, as is the batch number for ease of retrieval. Every denial is logged into the MIS. The system is precoded with up to 99 reasons for a denial of payment. Once a voucher has been entered as redeemed or denied, the MIS will not allow it to be redeemed again.

A financial report is produced every time a batch is complete and is sent to the Choctaw Nation accounting unit with the white copies of vouchers. The accounting unit reviews the batch, makes sure that all vendors to be paid are authorized, and checks the totals before issuing checks to the vendors.

When vouchers return from the accounting unit, the redemption data entry clerk will re-code them again as paid. The MIS will not let "paid" status be entered on a voucher that has not been recorded as transacted by a participant.

#### ***Non-replacement of Lost and Stolen Vouchers***

Under Choctaw Nation policy, vouchers are treated like cash and not replaced if lost or stolen. Participants are asked to report lost or stolen vouchers, so that the vouchers can be coded as lost to prevent payment.

#### ***Comprehensive Voucher-Level Reconciliation Procedures at End of Month***

On a daily basis, each paraprofessional mails the voucher receipt log and the pink copies of vouchers to the central office. As an additional measure of accountability, the WIC director

receives a copy of each paraprofessional's appointment book on a monthly basis, to be checked against the voucher receipt log.

The MIS operator checks the pink voucher copies against the log and scans the vouchers to record them as issued in the MIS. If the voucher was manually issued, the MIS operator enters the participant and prescription information; the MIS checks for invalid prescriptions and duplicate participation at this stage. This process ensures that each issued voucher has a known status and is linked to a participant.

At the end of each month, each paraprofessional voids the preprinted vouchers that have not been picked up by participants. The paraprofessional then sends these unissued vouchers back to the central office, where they are scanned and recorded as unissued. To minimize this effort and to maximize participation, staff members try hard to get no-shows to come in, leaving time open in their schedules near the end of the month for make-up appointments. According to the Choctaw Nation's tracking reports, fewer than 2 percent of participants fail to pick up their vouchers in a given month.

Using the information entered into the MIS, the system operator produces a monthly voucher-level detail report indicating the status of each voucher (issued, unissued, redeemed, lost/stolen, expired, etc.). This report identifies the names of participants not claiming benefits or not transacting vouchers. The report also provides summary counts of vouchers by status. The central office is also able to produce a voucher participant history, a document that shows the status of every voucher assigned to a particular participant.

### ***Vendor Knowledge of WIC Participants***

Most communities only have one WIC vendor. Therefore, the vendor often knows the type of voucher that is usually cashed by particular participant. This familiarity can be a first-level check on program abuse, as a participant who normally transacts a child voucher would raise suspicion if she began to transact infant vouchers without having been noticeably pregnant. Thus, vendors are often the first to report suspicious activities of clients. The small number of vendors also raises the likelihood that fellow participants or neighbors will notice and report participant abuse.

### ***Centralized Vendor Authorization***

Paraprofessionals do not handle vendor transaction or redemption issues since often they live in the same community that is being served. Rather, vendor management is conducted as a centralized function, to ensure that paraprofessionals do not have to take sanctions against businesses in their own community. This also eliminates the possibility of collusion between WIC staff and vendors since local WIC staff members have limited opportunities for professional contact with the vendors.

## **D. Quality Control and Staff Fraud Prevention**

### ***Separation of Duties Present in MIS***

Employees' access to enter or change MIS data is restricted to one side of the database or the other. Some have access only to certification and voucher issuance data, while others have access only to redemption and payment data. The only employee who has access to both sides of the MIS database is the WIC director.



### ***Centralized Data Entry Process***

As discussed, all data entry into the MIS is done by central office staff, and a single staff member is primarily responsible for each side of the database. The fact that all records handled by the paraprofessionals or the voucher processing staff members are reviewed by a single person provides an important quality control and security measure. This centralized entry also reduces the risk of dual participation.

### ***Accounting Check on Fraudulent Payments and Reporting***

Another level of check on the work of all WIC staff, including the director, is the role of the accounting unit. All program expenses are reviewed and approved by the Choctaw Nation accounting unit. This includes both vendor payments and purchases with administrative funds. The accounting unit makes sure all expenses are allowable and that sufficient funds are available for payment. The accounting unit also reviews and certifies the periodic financial reports to USDA's Food and Nutrition Service (FNS). This last step acts as an additional check against any attempt by WIC staff to manipulate participant data, either for financial gain or to overstate participation.

### ***Conflict of Interest Statement***

Each year, every staff member is required to sign a statement indicating that he or she has no conflict of interest involving any WIC vendor. The vendors are required to sign similar statements. The close-knit nature of the community serves as an additional check on this risk, because family relationships are widely known.

## **E. Management Evaluations**

Choctaw Nation WIC has developed comparatively limited quality management procedures. Although the WIC director hired a full-time staff member to perform record review and other quality assurance procedures, the staff member has been needed to serve as a substitute for other paraprofessionals. As a result, and also because of the difficulty of traveling to each clinic site to review records, there is not a strong record review procedure for patient files.

The director and nutritionist conduct informal record reviews and observations when they are in the field to meet with high-risk participants or to perform other duties. The director monitors performance indicators through the review of MIS reports, appointment logs and other documentation. The nutritionist has a more formal review process for nutrition assessments and education, but this process does not address issues of program integrity. As a result, there is an opportunity for program abuse that remains unchecked. Nevertheless, it would be quite difficult for paraprofessionals to fraudulently create or manipulate client identities to facilitate a gain for themselves, given the single point of data entry and other controls.

## **III. Summary of Site Visit Results**

The pertinent practices that promote participant and staff integrity in the Choctaw Nation WIC Program include the following:

- Well-established income and residency documentation procedures exist

- All certification, including income determination, is conducted by trained paraprofessionals with in-depth knowledge of the community
- MIS data entry process and system edits serve as checks against dual participation, fabrication of cases, inappropriate prescriptions, and errors in participant data
- Unique arrangement exists among Oklahoma ITOs and the State agency to check for dual participation among programs with overlapping service areas
- Preprinting of vouchers for current participants reduces effort, errors, and the risk of fraud
- Thorough accountability exists for all vouchers distributed to and issued by paraprofessionals, with daily submission and review of voucher issuance information
- Comprehensive end-of-month voucher reconciliation process and MIS maintains accountability for every voucher
- Joint authorization of vendors by Choctaw Nation and the State is in place to share resources for vendor monitoring
- Authorization procedure for voucher transaction by temporary proxy exists to prevent transaction by unauthorized persons
- Thorough in-house review of transacted vouchers and vendor redemptions by multiple staff is done, including review of cash register receipts
- Role of the Choctaw Nation central accounting unit is vital in overseeing financial integrity
- Role of the Choctaw Nation Police in investigating criminal fraud allegations is crucial.

Many of the unique program administration practices of the Choctaw Nation WIC Program stem from the comparatively small number of participants and the rural area that the program serves. These factors contribute to the high degree of personal knowledge among WIC paraprofessionals, vendors, and participants about their community. Many opportunities for fraud are reduced because most paraprofessionals know their clients' family situations and WIC histories. Despite the small size of the central staff, the internal accounting procedures and divisions of responsibility provide a series of checks on participant, vendor, and staff fraud.

The Choctaw WIC Program is unusual in that most incidences of program abuse stem from dual participation involving other WIC Programs. This is in contrast to most other State WIC Programs where dual participation within the program, such as at two different clinics, is much more prevalent. The unique agreement between the Oklahoma and the ITOs provides a model for

dealing with similar areas where participants have as much or more access to service sites of neighboring States or ITOs as they do to other sites within the same State or ITO territory.

There are certain aspects of a larger program's administration that would be beyond the means of Choctaw WIC based on its small size. First, the WIC director does not have the kinds of oversight and support resources that are typically found in a State WIC agency, other than the limited roles of the accounting unit and the Choctaw Nation executive director.

The WIC director said this is a possible vulnerability of the program, most notably because of the lack of resources available to conduct independent investigations of alleged program abuse. To compensate for this weakness, the WIC Program has developed a strong working relationship with the Choctaw Nation tribal police. This has strengthened program integrity while taking paraprofessionals out of the awkward situation of investigating individuals in their own community.

The MIS has some important limitations, most notably the lack of direct access at the clinic sites. This situation results in part from the challenge of funding fixed expenses for clinic sites and the central office in very small WIC agencies, given the way that administrative funds are allocated by FNS. The minimal facilities available at some clinic sites would make it difficult to implement a MIS, even if funding were not an issue. As a result, the program relies more on the paper files in the clinic sites than is desirable, particularly given the physical distance between clinic sites and the limited resources available for reviewing clinic files.

Choctaw Nation WIC relies heavily on the ability, integrity, and commitment of its paraprofessionals. The paraprofessionals exercise their responsibility for participant care with considerable autonomy. Given the need to staff a widely dispersed network of clinics, the small management team cannot provide daily on-site monitoring. Instead, they strive to maintain program quality and integrity through a combination of resources: the strength of the established documentation, reporting and control mechanisms; the training and supervision provided by the director and the nutritionist; the quality assurance effort still under development; and the open lines of communications with staff, participants and the community.