

Fiscal Estimate Narratives

DCF 4/24/2017

LRB Number	17-1075/1	Introduction Number	AB-0263	Estimate Type	Original
Description incentive programs for counties and tribes that identify fraudulent activity in certain public assistance programs, removing inactive FoodShare accounts, expunging unused FoodShare benefits, limiting the number of FoodShare replacement cards, requiring the exercise of rule-making authority, and making appropriations					

Assumptions Used in Arriving at Fiscal Estimate

Under the bill, DCF must create an optional incentive program wherein counties may receive reward payments for identifying fraudulent activity in Wisconsin Works (W-2). The amount of each reward would be 20% of the amount that DCF determines will be saved in the program over a 12-month period as a result of eliminating the fraudulent activity. This reward would be incurred only when fraud is discovered by an employee or officer of a county or tribe.

As written, the bill would likely not have any fiscal impact given that W-2 is no longer administered by the counties, but rather by eight W-2 agencies contracted to administer the program across the state. These eight W-2 agencies determine eligibility, assign work activities, and offer case management, while DCF pays benefits directly. Under the current W-2 contracts, counties are no longer involved with the program in a capacity that would allow employees to identify fraud. As written, the bill would not affect the behavior of the parties administering the W-2 program, and it is unlikely it would lead to increased fraud detection or the disbursement of the proposed incentive. Thus we expect the bill to have no fiscal impact in regards to DCF and the W-2 program.

Long-Range Fiscal Implications