

Tom Andra

From: Cram Ryan L <RYAN.L.CRAM@dhsosha.state.or.us>
Sent: Tuesday, May 7, 2019 7:22 AM
To: SHS Exhibits
Subject: in regarding to HB 2027 for hearing today

Senate Committee members,

I am writing this testimony in regard to HB 2027. I am expressing my views and opinion from a personal perspective and not that from the Department of Human Services. I am a criminal fraud investigator within DHS that has had numerous experience in fraudulent child care provider investigations.

One of the most common thing that I have noticed in my investigations into child care providers that are committing fraud has been the provider's past fraudulent activity with DHS. The last 5 child care provider investigations (and current ones) have all been found to have frauded SNAP (food stamps) or other benefit like TANF (cash assistance) and that fraud has been substantiated. On occasion, the fraud has been committed while the individual has been an approved provider.

Around 95% of fraud investigations result in administrative action instead of criminal within DHS. Although the fraud is criminal and can be charged accordingly, there are circumstances that cause more administrative routes (cost avoidance, threshold amount, overpayment return, large caseload, etc).

What the Department of Human Services and Office of Child Care do not look at is the internal substantiated fraud when approving child care providers. What is being approved is a child care provider who has previously been found to have frauded the State allowed to be approved and certified for contracted work.

As you can most likely tell, I am not surprised when that child care provider is then found to have frauded the State again in child care services (over billing, kick back with parents, etc).

I would like to make a recommendation that an amendment be made to HB for internal measures/checks of substantiated fraud internally during the approval/background process of a child care provider. I believe that an individual who has been found to have committed fraud against the State should not be allowed to be licensed as an approved child care provider with the State. We should be holding child care providers to a higher standard.

There is no other position in the State that would allow for an individual to have a substantiated fraud finding (in food stamps and other benefits) and then be allowed to be certified/approved as a contracted employee of the State.

Thank you for your time. I will also be attending this hearing today.

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