



Presentation to House Committee on General Investigating and Ethics

Chris Adams

Deputy Executive Commissioner

Wayne Salter

Associate Commissioner

January 18, 2017



TEXAS
Health and Human
Services

Interim Charge

Maintain oversight of federal, state, local, and charitable funds spent in response to Hurricane Harvey. Investigate instances of waste, fraud, or abuse involving such funds. Ensure that the State of Texas is maximizing federal disaster aid.



Federal Emergency Management Assistance (FEMA) Grants

Other Needs Assistance (ONA)

- FEMA determines eligibility and award amounts for individuals who evacuated or whose property was damaged by Hurricane Harvey.
- FEMA pays 75 percent of costs and the state is responsible for providing the 25 percent match.
- HHSC processed 383,232 grant applications, totaling approximately \$360 million in All Funds as of January 3, 2018.



FEMA Grants

Critical Needs Assistance (CNA)

- CNA is awarded by FEMA under the Other Needs Assistance provision of the federal Individuals and Households Program administered by HHSC.
- It is a one-time, \$500 payment per household.
- HHSC staff:
 - Maintains and operates the Texas ONA disaster assistance hotline and mailbox.
 - Assists Texas citizens with questions and issues in regards to ONA (including CNA).
 - Works with FEMA to maintain program integrity.



FEMA Grants: Fraud Oversight

- The U.S. Department of Homeland Security Office of Inspector General is the federal agency charged with identifying and investigating potential fraud in the federal disaster assistance programs.
- On an ongoing basis, HHSC staff assists FEMA in fraud investigations of Texas cases.
 - Staff works to identify fraudulent payments and recover funds when callers indicate possible fraud.
 - Warrants recovered are cancelled and client files are closed.
- As of January 3, 2018:
 - Total HHSC Fraud-related Investigations: 811
 - Total Amount: \$420,952
 - Amount Recovered: \$305,393
 - Amount Outstanding: \$115,559



Disaster SNAP (DSNAP)

- HHSC provides a one-time food assistance benefit to eligible families recovering in the wake of a disaster.
- D-SNAP is available for counties with a Presidential Declaration of Individual Assistance.
- The benefit is based on the maximum SNAP allotment for the household size.
- Individuals currently receiving SNAP do not qualify for D-SNAP.
- 1.6 million individuals have been served and approximately \$550 million total benefits issued.



D-SNAP: Fraud Mitigation

To mitigate fraud at intake and processing sites, HHSC staff:

- Verified applicant identity;
- Posted federally required anti-fraud and duplicate participation warnings;
- Referred questionable applicants to on-site HHSC Inspector General staff for in-depth interviews and review of applications;
- Implemented special processing procedures for employee applications; and
- Checked applications against eligibility system data to identify duplicate participation prior to processing.



D-SNAP Fraud Mitigation

Post-event mitigation efforts include:

- Federally required quality control review of all eligibility employee applications;
- Federally required quality control review of non-employee applications; and
- Internal data analytics to identify high risk applications for additional review.

Cases with suspected fraud are referred to the HHSC Inspector General.

