

**Indiana WIC Program  
Indiana State Department of Health  
Client Fraud, Abuse and Sanctions**

**Policy**

The local agency is responsible for investigating all reported or suspected program abuse and issuing appropriate sanctions for the household. Mandatory disqualifications of one year in length involve the determination by the state agency and local agency for food benefit claims for \$100.00 or more, dual participation or a second or subsequent food benefit claim of any amount.

**Authority**

7 CFR Part 246.2  
7 CFR Part 246.7(j)(6)(7)  
7 CFR Part 246.7(l)  
7 CFR Part 246.9  
7 CFR Part 246.12(u)(2)  
7 CFR Part 246.23 (c)(1)

**Procedures**

- I. When allegation of suspected violation is received determine if sufficient evidence exists to substantiate the violation.
  
- II. All minor violations result in education and warning on the first minor offense; 3 month suspension of the household on the second minor offense; and 1 year suspension of the household on the third minor offense.
  - A. Multiple minor violations are combined regardless of category to determine first, second, and third offense.
  - B. Offenses carry forward from the first offense through the third offense for the duration of household participation in the program.
  - C. Subsequent minor violations (>3 offenses) during household participation in the program will result in a major violation sanction.

- III. All major violations result in automatic one year suspension on the first offense with the exception of benefit food claims of \$100.00 or more, dual participation or a second or subsequent food benefit claim of any amount if full restitution is made or a repayment schedule is agreed upon within 30 days of receipt of a letter requiring repayment.
- IV. A sanction for a subsequent offense cannot be applied until the client, authorized representative or proxy has been notified of the previous offense through a Sanctions Due to Program Violations form.
- V. The household of the client, authorized representative or proxy identified as having violated the WIC program must be notified in writing by the local agency once the violation becomes known. Notification using a Sanctions Due to Program Violations form must occur not less than 15 days prior to the start of a sanction period.
  - A. Document issuance of the sanction in an Alert and General Note.
  - B. Generate a Sanction Due to Program Violation form.
  - C. The local agency Coordinator or other WIC representative must sign the Sanction Due to Program Violation form and note the clinic phone number.
  - D. Scan the completed sanction form into the INWIC. Scanned copies of the Sanctions Due to Program Violations form are displayed in the communications for household section of the Communications screen and will be retained at the household level.
  - E. Make a copy of the signed form. Issue the original to the client, authorized representative or proxy and file the copy in the Client Sanction file.
  - F. Notification should be done in-person whenever possible. When issued by mail, the notification must be sent "Certified Return Receipt" and attach the signed, stamped, returned receipt to the Sanctions Due to Program Violations in the Client Sanctions file.
- VI. Violations that result in education and written warning for the household require issuance of the Sanctions Due to Program Violations form. The Client Information screen is not updated. Benefit issuance for the household is not affected.
- VII. Violations that result in suspension of benefits for the household for any period of time require issuance of the Sanctions Due to Program

Violations form. The Client Information screen and the Cert Action screen for each member of the household must be updated.

- A. When notification occurs at Certification, complete the certification attempt prior to sanctioning.
  - B. Benefits covering the 15 day notice period should be issued prior to sanctioning.
  - C. Select "Program Violation" from the Ineligibility drop down on the Client Information screen.
  - D. Select "Program Violation" from the Termination drop down on the Cert Action screen for each household member. Enter a termination date equal to the benefit loaded through date (BLT), the last day to use benefits for the current month.
  - E. When an appeal is filed or the sanction period ends, remove the ineligibility and termination reasons and reinstate the record.
- VIII. The Indiana WIC office may waive the sanction if it would pose a serious health risk to the client.
- IX. Any individual whose benefits have been suspended or terminated for any reason or who has been asked to repay the value of food benefits has a right to a fair hearing.