# Monitoring Online Infant Formula Sales

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# Say No to WIC Fraud



#### Recent Changes in Michigan

- The 2012 Client Compliance policy updated and strengthened. Redefining how Michigan handles client compliance approved. It will be released to local agencies in November.
- Places emphasis on burden of proof for the client
- Worked with Legal Affairs to make sure policy will stand up at a fair hearing.
- Added additional language to the Client Agreement form
- Created a new Settlement Agreement Form

#### Client Agreement Form Additions

**Use WIC benefits correctly:** 

I will keep all sales receipts for food/formula identical to those issued by WIC that was privately purchased, if I intend on selling these items. These receipts will be documentation that I must provide to the WIC Program, if requested, to prove/clarify I am not directly or indirectly trading, selling, transferring or exchanging, or offering to trade, sell, transfer or exchange any food(s) or formula provided by the WIC Program for cash, credit, non-food item(s), or unauthorized food(s), including food(s) in excess of that authorized. An offer includes any direct or indirect offer that is made verbally, in print, or online through a website such as Craigslist, Facebook, eBay, or other websites.

#### New Settlement Agreement Form

Michigan Department of Health and Human Services

Women Infants & Children (WIC) Settlement Agreement Form Program Integrity & Vendor Unit 320 S. Walnut St. Lewis Cass Bldg. 6<sup>th</sup> Floor Lansing MI 48913

	Sumi	201-17						
Case #:								
WIC Coordinator's or Compliance Investigator's Name :						-		
Local Agency Name:								
Client's Name:								
Hearing Date:	/							
Original Restitution Amount: \$				***			·	
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(Signature of Authorized Person)	Prin	ted Name	of Autho	rized Pe	erson)		D	ate)
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enforcement actions referenced herein:								
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WIC Representative (Local Agency Coordinator or State Agency Program	m Integrity	Sunarvisa	··)		(Date)			
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#### REMITTANCE

Remittance of administrative fines, if any, is due within 15 business days of acceptance. Remittance should be made out to the "State of Michigan" and returned to:

MDHHS – Accounting Division Attn: WIC Program P.O. Box 30437 Lansing MI 48909

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## Who does what?

Local Agency Staff	State Agency Staff
Social media searches	Social media searches
Log complaints	Log complaints (for local agency follow up)
Send warning and sanction letters to clients	Send warning and sanction letters to clients
Counsel and educate clients	Develop fliers and posters.
	Created and maintain the email address which receives complaints from general public, including hospitals, other states, and vendor complaints.  WICFraudinvestigations@Michigan.gov

#### Michigan WIC Website Updated

#### Report WIC Fraud & Abuse

Help WIC Work

Your WIC (Women, Infants and Children) program provides nutritious foods, nutrition education and referrals for eligible women, infants and children.

In order for your WIC program to continue, it must operate in a fair and honest way. In some instances stores and clients are cheating or abusing your program. They overcharge for WIC foods or exchange WIC benefits for cash and non-WIC foods.

#### Click here to print poster

#### **Program Integrity Objectives**

- Ensure WIC program dollars are provided only to eligible families.
- Investigate all allegations of fraud/abuse by WIC clients, WIC local agency employees, and WIC authorized grocers.
- Increase awareness of potential areas of WIC program fraud/abuse.
- Assume a highly visible and proactive role in preventing and detecting WIC Program fraud/abuse.

# BUYING, SELLING, OR TRADING WIC FOODS IS ILLEGAL! If you boy, sell, or trade WIC foods, it could result in prosecution and/or disqualification from participating in the WIC Program. 1-900-CALL-WIC with tand the emission pointing and in which is much disminister pointing and in which

#### Examples of fraud and abuse may include:

#### Clients who:

- Sell or give away formula or foods purchased with WIC benefits (including selling formula and/or food through online sites such as Craigslist, Facebook, etc.)
- · Lie about income or family size when applying for WIC.
- Buy non-WIC food with WIC benefits.
- Trade WIC benefits for other items or cash.

#### Vendors who:

- · Buy WIC benefits for cash.
- Accept WIC benefits for non-WIC food.
- Accept WIC benefits for past purchases

#### What can the State do if we substantiate improper activities

- Seek restitution for any WIC benefits or monies received as a result of WIC program fraud/abuse
- Impose a punishment that may result in disqualification from the WIC program
- Make referrals to other public programs for investigation and/or possible criminal prosecution under state and federal law

#### How to contact WIC

If you think someone is committing fraud or abusing the Michigan WIC Program, you can let us know by:

Calling our toll-free hotline: 1-800-CALL-WIC

Mail:

MDHHS/WIC Division Program Integrity & Vendor Unit 320 S. Walnut St. Lewis Cass Bldg., 6th Floor Lansing, MI 48913

Email: wicfraudinvestigations@michigan.gov

Fax: 517-335-9206

Keep your WIC program working!

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# What we see from the website changes

- Michigan WIC Website added the email address for reporting fraud in April, 2015.
- The site has been view over 832 times.
- Since that time, over 64 people have used the link to email the state office to report suspected fraud.
- The poster has been downloaded 16 times.

## Getting the word out

#### WICFraudInvestigations@Michigan.gov

 Our email address is available for anyone to report suspected fraud.

On flyers

On website

In Facebook groups

Adding to the next printing of the Food Guide

A conversation piece on Facebook

Using to email persons potentially committing WIC fraud.

Receiving about 10 emails a week with screenshots of formula being sold.

#### Social Media Sites Monitored

#### Craigslist

- Have to client identify by phone number
- Contact with the legal department
- Barriers include the ways client lists the items. (child last name with s/o phone number, etc.)

#### EBay

- Hardest to get to
- EBay user policy has statement "illegal to sell government assistance formula"

#### Facebook

- Successful group actionsposting policies of now formula sales, include WIC flyer
- Barriers-complaints by group members, blocks placed by FB
- In many garage/yard sale and groups
- Not much time spent on EBay site

#### How we search Craigslist

- Do a general search on Craigslist for infant formula.
   Can be done by region.
- If we find a Michigan WIC approved formula, we click on the link to see if there is a phone number listed.
- Conduct a search of the MI-WIC database.
- An email is then sent to the seller with a copy to the local agency coordinator for follow up and issuance of a warning letter (for first offenses).

#### How we search Facebook

- Analyst has set up a Facebook account with his name, but not his personal Facebook.
- Joined various garage sale and yard sale groups across the state where postings of people selling formula are monitored.
- We also receive screenshots for the public to find other groups to join.
- Some groups have added our poster to their rules.

# Sample Craigslist Email/ Private Facebook Message

Hello,

It is against federal and state law to attempt to sell WIC Program benefits online. If you are attempting to sell WIC benefits, please remove your post and return the formula to your local WIC clinic, and speak with the WIC Coordinator. Failure to do so may result in prosecution by the Federal Government or the State of Michigan.

http://grandrapids.craigslist.org/bab1239871234.html Thank you,

Michigan Department of Health and Human Services WIC Division

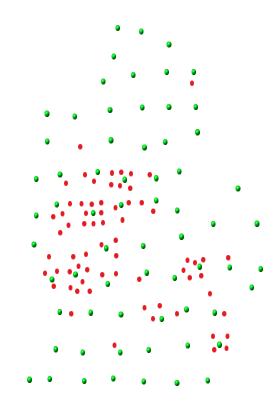
## Facebook Groups

Baby and Toddler Online Garage Sale Grand Rapids MI Area Baby Items Sell and Swap Genesee County Battle Creek Sell and Trade All Things Belding and Greenville Area Online Sales Belding Area Online Yard Sale Clare County Yard Sale Davison, Goodrich, Ortonville Mom 2 Mom Davison/Lapeer Yard Sale Page Genesee County Yard/Garage sale site Grand Haven/Holland/Muskegon/Grand Rapids Online Garage Sales Grand Rapids Online Garage Sale. Grand Rapids Online Garage Sales Harrison/Clare County Virtual Yard Sale Howard City area yard sale. Kent City/Sparta Buy Sell Swap Lansing and Surrounding Areas Virtual Buy and Sell Livingston County Area BUY AND SELL Make Offer Site Mecosta County Mom to Mom sale

Mecosta County Moms Swap, Buy, Sell and Trade. Mecosta, Isabella, Clare, and Midland Counties Yard Sale (MI) Mom<sub>2</sub>Mom Northville/Plymouth Montcalm County Area Mom Swap Morley (Michigan) Yard Sale Newaygo County Bargain and Trade Newaygo Yard Sale Site Osceola, Mecosta, Clare, Isabella, Lake, Wexford, Gladwin, Newago Buy & Sell Remus Buy Sell Trade Sell It Fast on Facebook Share the Stockpile Wealth: Genesee County Sparta, Cedar Springs & Kent City Area Online Yard Sale Group St Johns Community Trader Twice Is Nice Resale & Consignment Shop VERY CHEAP YARD SALE PRICES Kent County Wyoming, Kentwood, Grandville, Byron Center, Grand Rapids Online Garage Sale Yard-Sale Place (Clare, Isabella, & Midland counties) Zeeland and Surrounding Areas Online Yard Sale

# Where cases are reported

- Craigslist
- Facebook



#### Samples of Facebook and Craigslist ads sent to us

On a sale site for Birch Run/Frankenmuth area there is a lady selling formula for much cheaper than retail store sells for the attachment has what I saw on it.





do NOT contact me with unsolicited services or offers

at

#### Anti Fraud Flyers for Clinics

# DON'T FALL FOR THE TRAP FALL FOR THE TRAP BUYING, SELLING, OR TRADING WIC FOODS IS ILLEGAL! If you buy, sell, or trade WIC foods, it could result in prosecution and/or disqualification from participating in the WIC Program. 1-800-CALL-WIC wicfraudinvestigations@michigan.gov USDA is an equal opportunity provider and employer.

# Help WIC Work!

#### WIC FRAUD MAY INCLUDE:

- Offering to buy, buy, sell, trade, transfer or exchange WIC Foods for other items or each
- · Purchasing non-WIC food with WIC benefits.
- Sell or give away formula or foods purchased with WIC benefits (including selling formula and/or food through online sites such as Craigslist, Facebook, etc.).
- Withhold or falsify information regarding income or family size when applying for WIC.

The Michigan WIC program takes all complaints of fraud seriously and encourages the immediate reporting of any alleged WIC program abuses, violations or fraud.

If you suspect a WIC client or a WIC authorized store is committing or has committed fraud, please report it to your local WIC clinic or the WIC State Agency.



To contact the State WIC office, please call our toll-free hotline: 1-800-CALL-WIC or E-mail wicfraudinvestigations@michigan.gov (All calls and e-mails are kept confidential)



WIC

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wicfraudinvestigations@michigan.gov

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## Local Agency Developed Flyer



# Additional brochure (trifold)

#### **DID YOU** KNOW?

Posting WIC Formula/foods or breast pumps that were provided by WIC for sale in newspapers OR on social media sites is FRAUD.

This includes:

- Craigslist
- eBay
- Facebook
- · Any other social media outlet

Buying, trading, exchanging or selling formula or foods purchased with WIC benefits for other items or cash is FRAUD.

Clients who are no longer using their electric breastpump or WIC formula/foods for their infant should contact their local WIC clinic for more information.

#### WHAT CAN YOU DO IF YOU SUSPECT FRAUD?

If you think someone is committing FRAUD or abusing the Michigan WIC Program, you can let us know by:

- · Calling our toll-free hotline: 1-800-CALL-WIC
- Mail: MDHHS/WIC Division Program Integrity & Vendor Unit 320 S. Walnut St. Lewis Cass Bldg., 6th Floor Lansing, MI 48913
- · Email: wicfraudinvestigations@michigan.gov
- . Fax: 517-335-9206



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#### WHAT IS FRAUD?

Enrollment in both WIC AND Focus: HOPE **OR** enrollment at more than ONE local agency is FRAUD.

Reporting false income, household size OR pregnancy to become eligible to participate in WIC is FRAUD.



- Residential
- ☐ Income
- Proof of nutritional risk



Buying, selling, or trading WIC formula/foods or breast pumps or allowing someone else to do so is



Buying, trading, exchanging, selling or offering to buy, trade, exchange, sell or allow any other person to buy, trade, exchange, sell or offer to buy, trade, exchange or sell. WIC foods and or WIC EBT card/benefits including unauthorized food items, non-food

items, for cash or favors is



YOU MAY BE:

- . DISQUALIFIED from the WIC Program
- · Required to REPAY the State agency the amount of those benefits
- · PROSECUTED under State and Federal laws

## How we get information

- Facebook groups
- Develop relationships with Facebook group administrators
- Friends
- Family
- Co-workers
- General public Email address to report fraud
- Phone calls
- Vendors

#### Barriers and Challenges

- Policy limitations
- User complaints on Facebook causing analyst to change profile
- Facebook Administrators
- Local Agency Coordinators/State Staff

All can be worked through with training and education

#### Successes

- Facebook conversations about WIC and Fraud
- Facebook groups changing what can be sold on their site.
- Email address is getting lot of hits from the general public
- Policy 9.01 enhanced, updated and approved by USDA.
- Clients are paying their restitution.
- 42 open cases
- 595 closed
- 14 paid in full
- 3 currently paying
- 6 paying other state agencies

#### **Next Steps**

- Keep joining Facebook garage sale groups
- Keep monitoring social media sites
- Continue to work with local agencies
- Evaluate the policy
- Continue to develop flyers and raise awareness

# It takes a team to protect our program!

Local Agencies State office and local agencies Strong working together State Michigan Clients = a stronger WIC Office WIC Program Program. **Retailers** 

# Questions?

# Thank you!

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