

## STATES CAN END WASTE, FRAUD, & ABUSE TO PROTECT THE AMERICAN DREAM

Widespread fraud and abuse exist within our country's essential safety net programs, and states are fighting back to preserve the American Dream. For more information, read more [here](#).

## STRATEGIC APPROACHES STATES ARE USING TO DETECT AND COMBAT FRAUD

- 1. Establish Interstate Collaboration to Prevent and Detect Fraud.** Florida [shares](#) evidence of Medicaid fraud and responsible parties with neighboring states.
- 2. Facilitate Unannounced Inspections and Enforcement.** The Georgia Department of Community Health's Office of Inspector General [performs](#) surprise inspections and audits.
- 3. Maintain Centralized Reporting and Program Integrity Platforms.** Arizona [consolidates](#) fraud reporting, compliance monitoring, and enforcement data through the Arizona Healthcare Cost Containment System (AHCCCS) Program Integrity systems.
- 4. Require Automatic Fraud Referrals to Federal Enforcement Authorities.** In Ohio, [upon](#) detecting credible allegations of fraud, the State Medicaid agency must refer the matter for investigation and potential prosecution.
- 5. Enhance Oversight of High-Risk Grantees and Providers.** North Carolina [employs](#) centralized oversight of subgrantees and local administrators of federally funded programs, using audit findings and performance metrics to escalate monitoring, restrict funding, and enforce corrective actions when misuse or mismanagement is detected.
- 6. Expand Cross-Program Data Sharing Mechanisms.** Texas [uses](#) cross-agency data matching between Medicaid, SNAP, unemployment insurance, and wage records to identify duplicate participation and trigger verification or suspension workflows across programs.
- 7. Tier Medicaid Reimbursement and Adjust Payment in Block Grant Plans.** Arizona [authorizes](#) AHCCCS to classify providers by risk tier, require corrective action plans, and impose pre-payment review or reduced payment velocity for providers failing compliance benchmarks but not yet referred for fraud enforcement.
- 8. Establish a Single Statewide Entitlement Fraud Unit to Address Medicaid Fraud.** New York's [Office of the Medicaid Inspector General](#) has jurisdiction over audits, recovery, provider exclusion, and the referral of criminal cases to state and federal prosecutors.
- 9. Require Ownership Disclosure and Conflicts of Interest.** California [requires](#) Medi-Cal participants to disclose ownership and related parties and employs inter-agency review with licensing and enforcement agencies to prevent re-entry. The program can exclude participants with prior violations.
- 10. Establish Strict Liability for Fraud in Programs Administered by the State.** Texas [allows](#) for recoupment, payment suspension, and termination for improper Medicaid claims and materially inaccurate records, without regard to intent, which places compliance risk on all providers and contractors.