

DCF LEGISLATIVE TESTIMONY



January 31, 2023

TESTIMONY OF

Marc Altenbernt

Kansas Department for Children and Families

TESTIMONY ON

Fraud Cross-Checking

Chair

Representative Awerkamp

Vice Chair

Representative Howell

Ranking Minority

Representative Meyer

and

Members of the Committee

SUMMARY OF ISSUE

We have been asked to provide information to this Committee concerning DCF's current system for cross-checking employment information for clients receiving benefits. This request was made so that this Committee can compare the services being offered by Equifax.

RESPONSE

In July 2015 Kansas rolled out a modern eligibility system called the Kansas Eligibility Enforcement System (KEES). The initial rollout concerned only medical programs and used web services and batch interfaces to access income information to be used within the system to determine medical assistance eligibility. DCF contracted with Equifax subsidiary Talx Corporation to provide the necessary services. These services were later extended to all non-medical programs within DCF (PPS, CSS, EES and VR) for purposes of employment and wage verification. As part of that verification, Talx checks the following information for each applicant:

- Employer Name
- Employment Status
- Employer Address
- Employment Dates
- Position Title
- Medical and Dental Information, as available
- Pay Rate
- Pay Period (i.e., weekly, bi-weekly, every two weeks, monthly)
- Pay dates
- Up to three (3) years of year-to-date gross Income details, including pay period detail.

The current Talx contract, which includes KDHE as a party, runs through January 31, 2024. From February 1, 2020 – January 31, 2021, Talx was paid \$2,196,878.30, of which 28% was paid by DCF (\$620,035.31). The following year saw Talx being paid \$2,837,361.21, with 26% coming from DCF (\$726,347.14).

Our Fraud group supplements Talx with the CLEAR software database from Thompson Reuters, which pulls information from one of the three credit agencies. In addition, our EBT Manager has access to some analytic information from our EBT vendor, FIS.

The data generated is verifiable data based on the cases and complaints that our investigators have actually entered into our database. Potential fraud is most frequently caught by EES during a client's six-month review. Our investigators then investigate the potential fraud and refer the matter to hearing or criminal prosecution if appropriate.