

Wisconsin Shares: Retain What Works and Improve the Rest
by Charity Eleson, Executive Director, Wisconsin Council on Children and Families

The Journal Sentinel's recent two-part story on fraud within the Wisconsin Shares child care subsidy program brought to light some serious issues with regard to the how the program is administered. The Wisconsin Council on Children and Families (WCCF) has long supported the intent that policymakers had in creating the program in 1996, when Wisconsin's massive welfare reform law was enacted. That intent remains as relevant now as it was then: If we want low-income parents with young children to succeed in the workforce, we must provide them with assistance to pay for child care so they can afford to have their children in safe, adult-supervised settings while they are at work.

However, as is true with any public program, benefits must be administered effectively. The article provided stories about several cases where it appeared that benefits were provided inaccurately to families. These cases should be investigated individually by the state to determine what action is needed. We also recommend that the state take additional steps. Some we would like to see considered include:

- Creating a strong quality integrity unit at the state level that provides staff to conduct random and periodic case reviews to ensure benefits are being appropriately administered. This unit would be charged with examining employment verification, whether hours of care authorized are needed and allowed, and whether the children on record as receiving care actually receive that care. This unit would also be charged with regularly and publicly reporting on the rate of accurate/inaccurate benefit determination.
- Using data generated by the quality integrity unit to flag eligibility criteria that are repeatedly determined in error and initiate training and quality control initiatives that would help local human services staff proactively improve the quality of eligibility determinations.
- Using electronic databases to verify employment through independent cross checks. Some of these provisions were added administratively last year, but it is likely necessary to do additional training for local workers determining eligibility to ensure uniform compliance.
- Making clearer the state's authority to remove child care providers from the Wisconsin Shares program when those programs are implicated in funding abuse.

These are changes that we believe could be made immediately. We also support a full program audit for Wisconsin Shares. There has not been one done by the Legislative Audit Bureau since 2001, and it's reasonable and prudent to do one now. But it also makes sense to move forward on changes that can be made administratively now and to ensure that the program operates with a high commitment to quality control on a continuous basis, rather than waiting for the completion of an audit.

The responsibility for effective administration of the Shares program lies with the local county human services and social services departments and the state Department of Children and Families. These public organizations need to take action, but policymakers—from the Legislature to the Governor—also need to authorize funding, if necessary, to give them the additional resources they need to more effectively administer benefits. As a result of the economic downturn, caseloads have grown dramatically in the Shares program, Medical Assistance, Food Stamps and BadgerCare, but funding for eligibility determination has not increased with that caseload growth, and funding for fraud detection and program integrity is nearly nonexistent.

While Wisconsin Shares should be funded at a level that appropriately reflects need, we also believe that the Legislature should thoroughly review steps that the Department of Children and Families is taking—with the counties as partners in these changes—before final decisions are made about funding in the next budget biennium.

Governor Doyle has also raised the issue of a quality rating system in the context of this issue. WCCF has long supported quality rating and quality improvement as two important tools to help the state systemically improve the quality of early childhood programs. And we believe that the Child Care Development Block Grant funding that is likely to come to Wisconsin as part of the federal stimulus package—an estimated \$30 million over the next two years—should be, in part, earmarked for this package of program improvement measures. However, we also believe that improving child care programs, while essential and necessary, is a separate issue from addressing the integrity of how Shares benefits are administered, so we are also recommending that the Governor and the Legislature earmark a portion of the new federal dollars to address program integrity and fraud detection. We believe it is possible—and necessary—to do both.

It is difficult to say exactly how widespread the fraud in Wisconsin Shares is. The recent series highlighted cases where problems are evident, but we have not yet seen data on the total percentage of cases where benefits have been provided inappropriately. What we do know is that when it is working properly, Wisconsin Shares is one of the most important programs we have for helping low-income working parents retain employment. We have an opportunity to improve the program's effectiveness, and we should support the actions needed to do so.

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