

Exhibit 1-L: Participant Violations – State Agency Role

09/2018

Investigation of Participant Violations

The State Agency will investigate cases involving possible participant violations, and work with the Local Agency as appropriate to determine what, if any, actions will be taken.

Application of Sanctions

If the investigation establishes that a participant violation has occurred, the State Agency will collaborate with the Local Agency regarding the specific sanctions to be applied, consistent with the federal regulations. Potential sanctions include: a warning letter, program termination (for dual participation), or disqualification for up to one year.

The State Agency must notify the participant or parent/guardian when a disqualification sanction is being applied. A person who is about to be disqualified from program participation at any time during the certification period must be advised in writing not less than 15 days before the disqualification. The notice must state the reason for the action and the person's right to a fair hearing ([Section 1.13, Fair Hearing Procedure](#)).

Participant Claims

If the State Agency determines that program benefits of \$100 or more have been obtained or disposed of improperly as a result of an intentional violation, the State Agency will establish a claim against the participant for the full value of such benefits, coordinate the collection of these benefits and document the disposition of the claim.

For all claims, the State Agency will send the participant or parent/guardian a letter demanding repayment. When the State Agency issues the demand letter, the participant or parent/guardian will be informed of the procedures for requesting a fair hearing and that failure to pay the claim may result in disqualification. If the claim is for \$100 or more, the State Agency will work with the individual on setting a repayment schedule, and/or the designation

of an acceptable proxy (for infant or child participant). If neither of these options is workable, the individual can be disqualified for up to one year.

Referral to Law Enforcement Authorities

When appropriate, the State Agency will refer a participant or parent/guardian who has committed a serious participant violation to Federal, state or local authorities for prosecution under applicable laws.

Reference – Complete Listing of Hyperlinks

Section 1.13, Fair Hearing Procedure

(https://www.health.state.mn.us/docs/people/wic/localagency/program/mom/chsctns/ch1/sctn1_13.pdf)

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