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## Requirements for Providing Financial Incentive for the Reporting of Vendor Fraud

### Requirements for Payment for Reporting Vendor Fraud Scope

Sections 17b-102-01 to 17b-102-04, inclusive, set forth the Department of Social Services requirements for providing a financial incentive for the reporting of vendor fraud in any program under the jurisdiction of the Department of Social Services.

#### Sec. 17b-102-01. Definitions

For the purposes of sections 17b-102-01 to 17b-102-04, inclusive, the following definitions shall apply:

(1) "Commissioner" means the chief executive officer of the department appointed pursuant to subsection (a) of section 17b-1 of the general statutes.

(2) "Department" means the Department of Social Services or its agent.

(3) "Fraud" means, with intent to defraud the department or a program under the jurisdiction of the department by:

(A) presenting for payment any false claim for goods or services performed;

(B) or accepting payment for goods or services performed, which exceeds either the amounts due for goods or services performed, or the amounts authorized by law for the cost of such goods or services;

(C) or soliciting to perform services for or sell goods to any beneficiary, knowing that such beneficiary is not in need of such goods or services;

(D) or selling goods to or performing services for any beneficiary without prior authorization by the department, when prior authorization is required by said department for the buying of such goods or the performance of any service;

(E) or accepting from any person or source other than the state an additional compensation in excess of the amount authorized by law.

(4) "Vendor" means the definition contained in section 17-83k-1 of the Regulations of Connecticut State Agencies.

(Adopted effective April 2, 1998)

#### Sec. 17b-102-02. Eligibility

Payment of a financial incentive shall be provided to any person reporting vendor fraud in connection with any program under the jurisdiction of the department subject to the payment conditions and limitations which apply to this financial incentive pursuant to section 17b-102 of the general statutes and section 17b-102-01 to 17b-102-04, inclusive, of the Regulations of Connecticut State Agencies.

(Adopted effective April 2, 1998)

#### Sec. 17b-102-03. Payment

(a) The commissioner shall be the sole determiner of whether the person is entitled to the financial incentive.

(b) The payment shall not exceed 15% of the amounts recovered by the state that are directly attributed to the person's report.

(c) The commissioner shall be the sole determiner of the amount of the incentive.

(Adopted effective April 2, 1998)

#### Sec. 17b-102-04. Payment limitations

(a) The department shall pay a financial incentive when:

(1) the person reporting has not materially participated in or benefited from any of the fraudulent activity being reported; and

(2) a direct correlation exists between the information reported and amounts recovered by the state as a result of such report; and

(3) the person reporting submits a claim for the financial incentive, in writing, on a form specified by the department and files it within six months from the date of when the vendor fraud was first reported;

(b) The department shall not pay a financial incentive when:

(1) the person reporting requests anonymity; or

(2) a claim is made regarding a case where the department or other state or federal agency has initiated an audit, investigation or similar proceedings prior to the person reporting the fraud; or

(3) the person reporting or a member of his immediate family is employed in a job which requires auditing, investigation or enforcement involving the programs under the jurisdiction of the department.

(Adopted effective April 2, 1998)