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**Testimony of Rick McCarthy  
On behalf of the Maine Community Action Association**

**Before the Joint Standing Committee on Health and Human Services**

**In Support of LD 1829 An Act to Require the Department of Health and Human Services to Report Annually on Investigations and Prosecutions of False Claims Made Under the MaineCare, Temporary Assistance for Needy Families and Food Supplement Programs.**

**March 25, 2014**

Senator Craven, Representative Farnsworth, and Members of the Joint Standing Committee on Health and Human Services, thank you for the opportunity to comment on LD 1829. My name is Rick McCarthy and I am here today testifying in support of this legislation on behalf of the Maine Community Action Association (MCAA), which is comprised of Maine's ten community action agencies (CAP's).

The CAP's mission is to eliminate and alleviate the causes and conditions of poverty by assisting low-income individuals to move toward self-sufficiency. Each year, we serve 200,000 Maine residents providing a variety of services, including Head Start and child care, housing assistance, fuel assistance, and transportation services.

We are pleased to support this legislation, which is designed to identify waste, fraud and abuse that is taking place in the MaineCare, TANF, and Food Supplement Programs. MCAA is a strong supporter of these essential programs to assist Maine low-income families. Together, they are key parts of the safety net. The state does have an obligation to make certain that state funds are used appropriately and efficiently in these programs.

MCAA supports reasonable efforts to make certain benefits and services are delivered only to those who are eligible. We make extensive efforts in the programs we administer, such as LIHEAP, to confirm eligibility and to identify and prevent fraud. However, we find that fraud is exceedingly rare. At some point, efforts to identify and prevent fraud reach a point of diminishing returns. Every dollar spent on enforcement is a dollar that cannot be sent on services. The proper level of enforcement, including the appropriate regulatory standards and staffing, is an issue we are always discussing with our state and federal partners.

It is appropriate and necessary for the state to continually assess the level of its enforcement efforts for MaineCare, TANF, and the Food Supplement Program. In recent years we have seen expanded efforts to identify and prosecute illegal use of these programs. Anecdotally, there have been reasonable questions raised about the efficacy of those efforts - about whether the state has received a good return on the resources invested. LD 1829 will provide for thoughtful oversight of those efforts by this Committee. That is exactly the kind of oversight you should have over the Administration.

For that reason, MCAA is pleased to support LD 1829.

Thank you for your time and attention. I would be happy to take any questions.

*Maine Community Action Association, Inc. is incorporated and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. All contributions, grants and bequests to Maine Community Action Association, Inc. are tax deductible.*