GOVERNMENT LOSS REPORTING

Fiscal Year 2023-2024

Risk Management Branch and Government Security Office

The Risk Management Branch and Government Security Office (RMB) is the authority on effective management of the risks of loss to which the government is exposed by virtue of its policies, assets, program and operations. To identify opportunities for controlling losses the Government Security Office (GSO) manages loss reporting in accordance with Core Policy and Procedures Manual (CPPM) chapters 20 and L. GSO utilizes the General Incident or Loss Report (GILR) which provides loss and incident data to aid in the identification of trends. Loss prevention, detection, reporting, investigation and mitigation are integral to government's enterprise-wide risk management process, financial control framework and to managing an ethical organization.

Chapter 20 of Core Policy and Procedures Manual requires the Risk Management Branch and Government Security Office to publish an annual summary of reported government losses based on the information collected using the GILR. The GILR is a web-based form that can be accessed by government employees.

Centralized reporting provides an understanding of what numbers and types of losses or incidents are being encountered based on reported incidents.

Loss reporting related to 'Workers' Compensation' or 'Fleet Vehicles' normally falls outside this format. If, however, a loss arises from a crime or threat-related incident, then reporting is appropriate as part of a follow-up security review (e.g. assault, robbery, vandalism, theft).

Note: over time, several overlapping variables have impacted reporting. For example:

- The number of ministries across government has been subject to change.
- Some program areas have been realigned between ministries.
- Policy has been revised to provide greater clarity and consistency for reporting.
- A web-based tool was implemented to standardize and facilitate reporting.
- There is additional emphasis now on the need to report some incident types (privacy breaches, threats of violence, fraud).

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Table 1

Total Incidents: Organized by Type of Incident

Fiscal 2023-2024

Incident Type	Number of Incidents
Information or Information Technology Security Incident	**2778**
Illegal Activities	**425**
General Incident or Loss	**910**
Intentional Harm or Threat of Harm to Employees and Others	**335**
Bodily Injuries to Persons Outside Government	**64**
Total	**4512**

Figure 1

Illustration of Type of Incidents Resulting in Ministry Losses by Number and Dollar Value

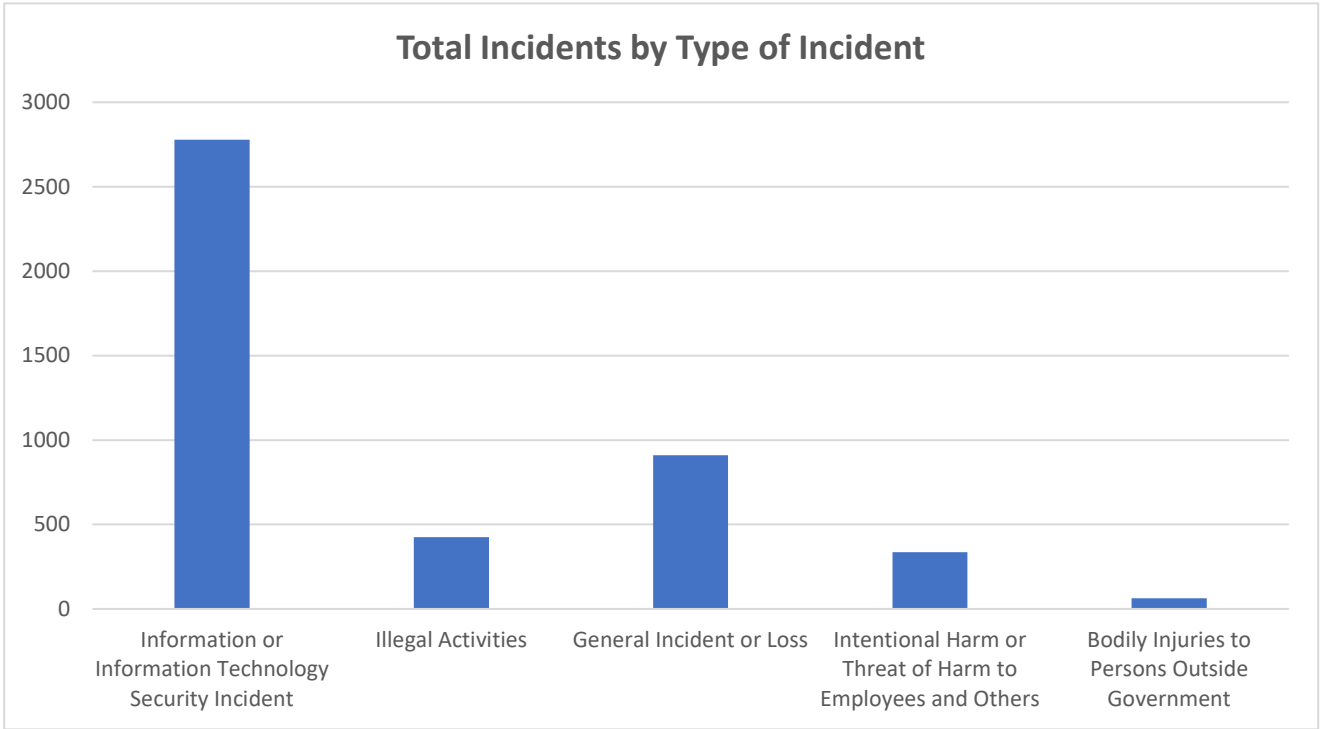


Table 2

Total Losses: Organized by Ministry

Fiscal 2023-2024

Ministry or Agency	# of Incidents Involving Assets	Total Est. Asset Value
Agriculture and Food	9	$2,020
Attorney General	72	$44,866
BC Public Service Agency	11	$14,465
Children and Family Development	347	$217,729
Citizens' Services	119	$62,833
Education and Child Care	4	$3,800
Emergency Management and Climate Readiness	21	$4,289
Energy, Mines, and Petroleum Resources	6	$32,500
Environment and Climate Change Strategy	68	$47,020
Finance	30	$13,635
Forests	222	$283,658
Government Communications and Public Engagement	11	$6,979
Health	41	$18,378
Housing	10	$1,055
Indigenous Relations and Reconciliation	14	$6,100
Jobs, Economic Development and Innovation	19	$8,373
Labour	8	$105,320
Mental Health and Addictions	6	$3,450
Municipal Affairs	13	$6,377
Municipal Affairs and Housing	2	$0
Office of the Premier	3	$3,119
Other	14	$12,965
Post-Secondary Education and Future Skills	16	$420
Public Safety and Solicitor General	39	$67,392
Representative for Children and Youth	1	$1,000
Social Development and Poverty Reduction	160	$50,045
Tourism, Arts, Culture and Sport	5	$2,380
Transportation and Infrastructure	87	$130,657
Water, Land, and Resource Stewardship	37	$68,085
Totals	**1395**	**$1,218.909**

Figure 2

Illustration of Ministry Losses by Number and Dollar Value

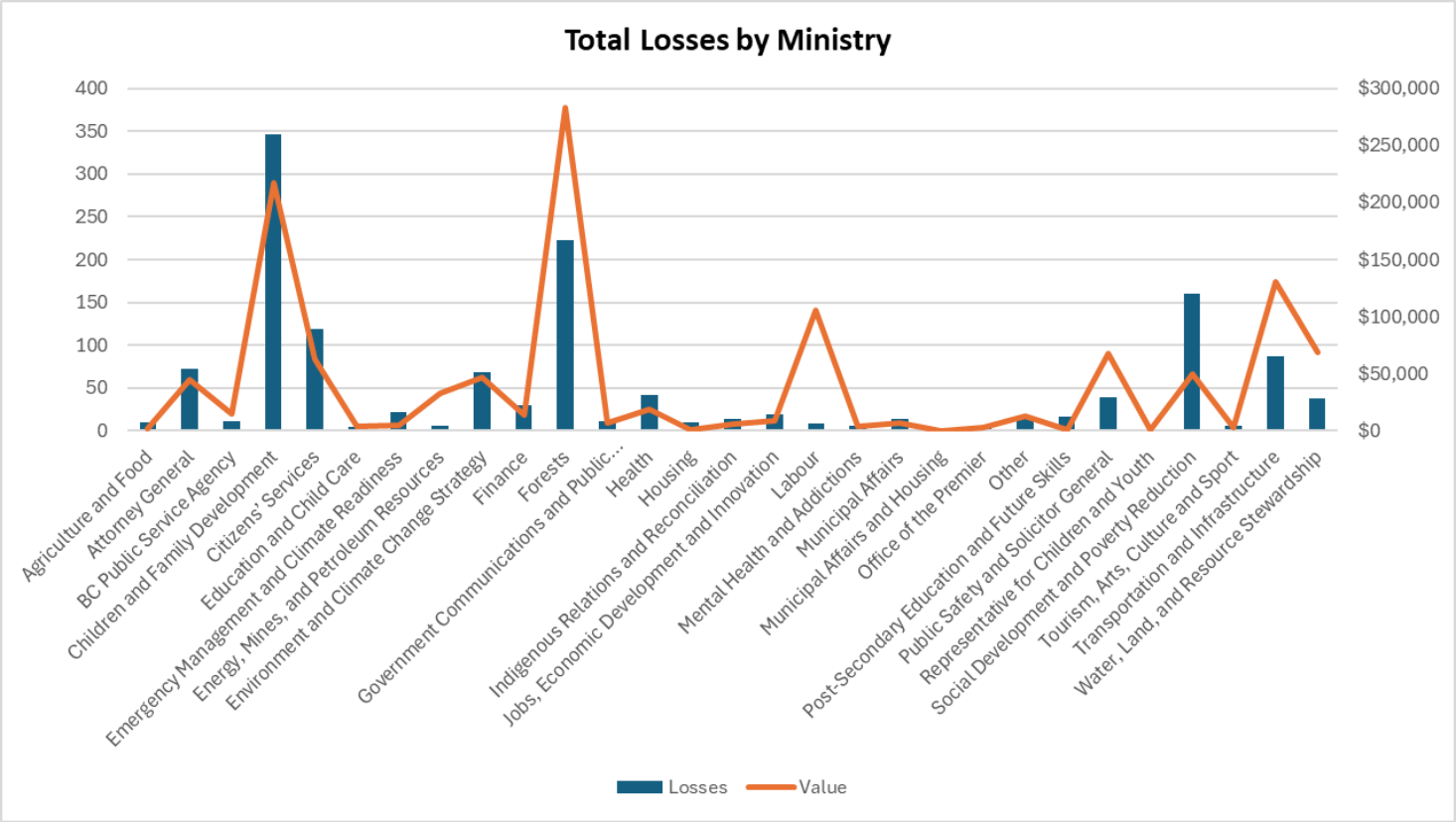


Table 3

Total Losses: Organized by Type of Asset

Fiscal 2023-2024

Asset Type	# of Assets	Total $
Building / Structure / Fixture	124	$164,650
Cash/Negotiables	28	$9,224
Electronics	117	$92,825
Government Vehicles	124	$281,879
Mobile Phones	282	$112,480
Not Selected	23	$3,848
Other	109	$15,405
Personal Property	65	$32,062
Printed Material	14	$960
Tablet/Computer/Comp Equip.	610	$360,408
Tools/Equipment	144	$145,169
Total	**1640**	**$1,218,909**

Figure 3

Illustration of Ministry Losses by Typer of Asset; Number and Dollar Value

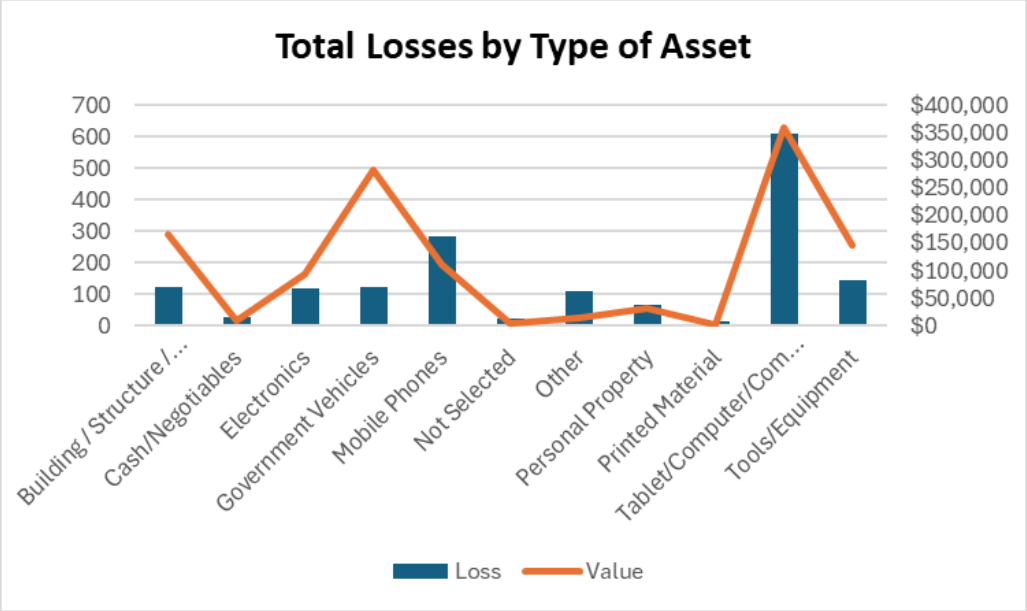


Table 4

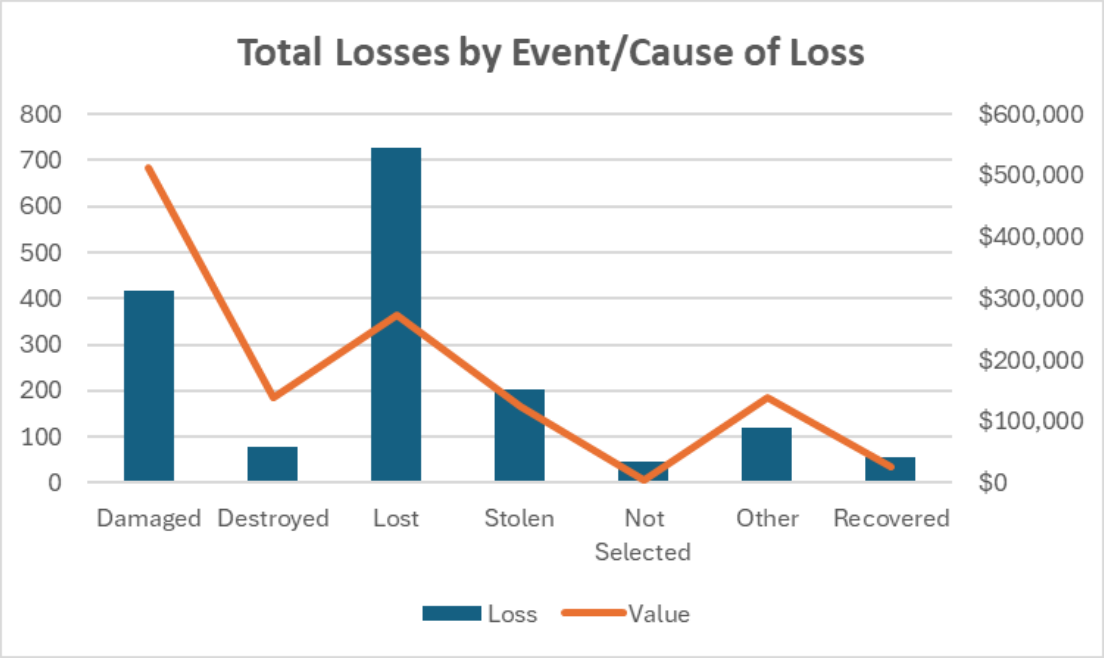
Total Losses: Organized by Event/Cause of Loss

Fiscal 2023-2024

Asset Fate	# of Assets	Total Asset Amount
Damaged	416	$513,947
Destroyed	77	$139,325
Lost	726	$787,031
Stolen	201	$124,977
Not Selected	47	$4,200
Other	118	$138,316
Recovered	55	$25,765
Total	**1640**	**$1,218,909**
Total Less Recovered	**1585**	**$1,193,144**

Figure 4

Illustration of Cause of Ministry Loss by Number and Dollar Value



DEPARTMENTAL ANNUAL LOSS VALUES SUMMARY

According to Core Policy 20.2.6: Loss Management - General, "Due to the nature of certain programs, some ministries experience recurring losses from general incidents and/or illegal activities. These ministries often have internal resources dedicated to managing the losses (e.g., Prevention and Loss Management Services Branch). Examples of such loss incidents include:

- Suspected false or fraudulent claims for social benefits, loans, grants, or transfers including employment and income assistance, student loans and MSP.
- Overpayments or erroneous payments.
- Loss of revenue that should have been received or collected.
- Theft of Crown property (e.g., unauthorized timber harvest);
- Damage to Crown property; etc.

Ministries that have internal resources dedicated to managing losses must report their loss incidents to the GSO by June 30th of each year for the preceding fiscal year on an Annual Loss Summary Report. Procedure Requirements - L.7"

The Ministries of Transportation and Transit, Social Development and Poverty Reductions, Forests, Attorney General, and Health contain departments within the BC Government Public Service that are responsible for auditing or reporting losses that cannot be captured through the Government Incident and Loss Report form, due to the nature or cope of the loss.

Departments identified within these Ministries that meet the requirements laid out in Core Policy Chapter 20 are required to provide their fiscal year losses for inclusion in the Annual Loss Summary Report. The information and statistics that are provided by the identified departments relate directly to government loss but due to unique reporting requirements do not fit within the framework of the GILR form. As such, Annual Loss Summary values for programs included below are not included within the above Government Incident and Loss Report statistics.

Table for Ministry of Transportation and Transit (formerly Infrastructure)
Claims and Litigation Section
Fiscal 2023-2024

Area	Incidents Reported	Value of Losses	Value of Recoveries	Net Loss
Claims	629	$4,282,307	$102,695	$4,183,245

Note: These figures are based only on incidents reported to the Ministry of Transportation and Infrastructure's Claims Section.

Claims are received up to two years after incident date therefore the costs, recoveries and numbers of claims may change retroactively when reporting subsequent year data. Claims can be entered into our system up to one and a half years after the event. This report is based on Date of Event.

These figures are based on incidents reported to the ministry's Claims Section. Note, not all incidents are reported to the ministry. Numbers are rounded to the nearest dollar.

Provided by the Claims and Litigation Section, Ministry of Transportation and Infrastructure - Last Updated: May 02, 2024

Table for Ministry of Social Development and Poverty Reduction
Enforcement Program Initiative
Fiscal 2023-2024

Area	Incidents Reported	Value of Losses	Value of Recoveries	Net Loss
Criminal Code Convictions	5	$80,210	-	$80,210
Civil Court Orders	0	0	0	0

The BC Employment and Assistance (BCEA) programs assist British Columbians by helping people move from income assistance to sustainable employment, and by providing income assistance to those who are unable to fully participate in the workforce. The Ministry of Social Development and Poverty Reduction (SDPR) is committed to providing assistance only to people who are eligible for benefits under the BCEA legislation and in doing so, is accountable to the citizens of BC.

Prevention and Loss Management Services (PLMS) branch supports and promotes the integrity of the BCEA program. The branch responds to under-reporting and allegations of fraud, investigates serious offences, and develops initiatives and strategies to support and evaluate service quality and mitigate financial loss.

Ministry Investigators are Special Provincial Constables who investigate serious cases of criminal fraud related to the BCEA program. For cases that result in a criminal conviction, the amount the court orders be paid to the Ministry is added to the client file in the ministry's case management system and reported below.

Note: SDPR is committed to providing assistance only to people who are eligible for benefits under the Acts and in doing so, is accountable to the citizens of BC. SDPR actively pursue all allegations or suspicions of fraud. The Prevention and Loss Management Services Branch (PLMS) supports and promotes the integrity of the BC Employment and Assistance Program. PLMS reviews allegations of fraud, investigating serious offences and develops initiatives, strategies and programs to mitigate financial loss, detect and prevent fraud and support service quality.

Table for Ministry of Forests
Crown Loss and Recovery Reporting
Fiscal 2023-2024

Area	Incidents Reported	Volume of Losses	Value of Penalties Issued	Penalties Collected
Forest Act s.105.1	2		$2000	-
Forest & Range Practices Act - Penalties s.52	8	16,219 m^3	$912,852	Losses recovered through penalties
Forest & Range Practices Act - Excluding s.52	13	3,663 m^3	$597,832	-
Forest & Range Practices Act – Violations s.52	37	4,000 m^3	-	-
Losses Under Other Sections	185	None	None	None

Forest Act Section 105.1:

Two determinations made under Section 105.1 under the Forest Act for an "individual" or licensee. Resulting in penalties of $2,000.

Forest and Range Practices Act Section 52 Determination and Penalties:

Eight determinations were made under Section 52. Seven determinations received a penalty. Penalty totals were $912,852 and the total estimated volume loss was 16,219 m^3. The Crown was made whole through administrative penalties.

Forest and Range Practices Act (exclusive of Section 52) Determinations and Penalties:

There was a total of thirteen determinations made. Determinations were under section 21, 22, 22.1, 46, 53 and 57 of the Forest and Range Practices Act. Two determinations were made under the Forest Planning and Practices Regulation for sections 75 and 79. Four determinations were made under the Forest Act, for sections 61, 95, 163.1, 164. Four determinations were made under the Wildfire Act and its regulations which included a loss of crown timber totaling 3,663 m^3. The total amount of penalties for these administrative hearings was $597,832.02.

Forest and Range Practices Act Violation Tickets Loss & Penalties – Section 52:

Thirty-seven Violation Tickets were issued under Section 52 of the Forest and Range Practices Act for an estimated loss of 4,000 m3.

Losses under other Acts/Sections:

One hundred eighty-five records were reviewed under the Forest Act, Environmental Management Act, Forest Planning & Practices Regulation, Open Burning Smoke Control Regulation, Forest Recreation Regulation, Timber Marking and Transport Regulation, Water Sustainability Act, Wildfire Act and Regulation, Land Act and the Off-Road Vehicle Act. There were no other known losses to the Crown based on the Compliance and Enforcement (C&E) Branches data sources.

Table for Ministry of Attorney General
Court Services Branch
Fiscal 2023-2024

Government Incident and Loss Report Incident Type	Total Number of Incidents
Information Management /Information Technology Security Incident	1
Illegal Activities	20
General Incident	5
Intentional Harm or Threat of Harm to Employees & Others	44
Bodily Injury to Persons Outside Government	6
Total	76
Source: Court Services Branch, Strategic Information & Business Applications	

Note: This summary Table is provided on behalf of the Courts Services Branch within the Ministry of Attorney General. While the incidents are organized using the same category labels as the GILR, the incidents reported in this Table are not reported using the GILR system and are not included in any other tables or figures within this document.

Table for Ministry of Health

Fiscal 2023-2024

Area	Audits Completed	Value of Losses	Value of Expected Recoveries	Net Loss
PharmaCare	9	-	$2,721,014	-
Billing Integrity Program	12	-	$1,555,998	-
Eligibility, Compliance, and Enforcement Unit	400	-	$1,142,563	-

Note: Amounts displayed above are settled for recovery but not necessarily collected.

PharmaCare Audit (PCA) is responsible for auditing and investigating providers' drug, product, device, and service claims to ensure they comply with legislative and policy requirements. These requirements regulate the way drugs, products, and devices are dispensed; services are performed; the way in which claims are submitted to the British Columbia (BC) PharmaCare Program; and benefits accorded to beneficiaries.

The HealthIdeas data warehouse is the Ministry's principal source of data to support research and analysis and is used by PharmaCare Audit to extract claims data for audit purposes.

PharmaCare Audit shares its findings and recommendations to improve legislation, policy, and information systems (e.g., PharmaNet). Audit Reports are sent to the College of Pharmacists of BC for practice-related issues, and to the Executive Director, Pharmaceutical Policy, Legislation and Engagement, Pharmaceutical, Laboratory and Blood Services Division (PLBSD) for policy and legislative issues.

For PCA, the "Audit #s" are the number of Audit Reports completed in the fiscal year and the "recovery" is the amount of money repaid by the auditee for claims made that were not in compliance with the legislation. Repayment may or not be received in the same fiscal year as the audit report is finalized.

The Billing Integrity Program (BIP) provides audit services to the Medical Services Plan (MSP) and the Medical Services Commission (the Commission). BIP monitors, audits and investigates billing patterns and practices of medical and health care practitioners to detect and deter inappropriate and incorrect billing of MSP claims. BIP develops and analyzes practitioner's profiles, monitors trends, conducts audits, and in accordance with the legislation, where appropriate seeks recovery of inappropriately paid monies.

A practitioner profile report is produced annually for each practitioner who receives fee-for-service payment from MSP. The profile is an analysis of the type and number of insurance

services that a practitioner has billed to MSP. The data source for the practitioner profiles is all fee-for-service claims processed by the MSP Claims system in the previous calendar year. Included in the data are claims paid under the MSP budget and claims paid by Teleplan on behalf of ICBC and WCB. Payment data is also provided by the Alternative Payments Program, which funds physicians for salaried payments, sessional payments, and Service Agreements.

BIP Audits result in a total estimated value of billings in error (for a five-year audit period - on average) and can take 1 to 2 years (or more) to complete. If the practitioner disputes the audit findings, they can request mediation or a hearing. If mediation (or hearing) results in a negotiated settlement, the practitioner can request a repayment schedule. BIP has had practitioners leave the country without making repayment.

For BIP, the "Audit #s" noted on the attached are the number of audits that have been completed and approved by the Audit Inspection Committee during the fiscal year. The "Settled for Recovery" is the negotiated settlement amount that the Medical Services Commission has agreed to. The negotiation will also include a repayment schedule that may span several months if not years, hence the "not necessarily collected" wording.

Eligibility, Compliance and Enforcement Unit (ECEU) is a delegated body by the Medical Services Commission that audits and investigates beneficiaries of the Medical Services Plan (MSP) who do not meet the eligibility requirements of MSP for receiving benefits. These requirements are detailed in Section 1 of the Medicare Protection Act and in the Regulations. ECEU works collaboratively with other healthcare partners such as Health Authorities and Health Insurance BC in the prevention of misuse of MSP and receives hundreds of residency referrals each month from ICBC as part of their administration of the BC Services Card.

The recommendations made from ECEU investigations are reviewed and approved by the Beneficiary and Diagnostic Services Branch (BDSB) who represents the Ministry at residency hearings with the Medical Services Commission for beneficiaries who wish to dispute their pending cancellation and recommendations from the audits. ECEU initiates the recovery of medical benefits during ineligibility periods with health authorities and Health Insurance BC and can fall under either MSP, Hospital (BC and out of province or OOP), or PharmaCare benefits. The recovery amounts are entered in the Case File Management System and reported to BDSB and the Branch's executive each year.

ECEU receives referrals from various sources but also uses HIBC Applications (MaxPath, MaxImage, RAPID) to investigate anomalies in claims pattern, OOP/ out of country addresses, medical tourism, and other internal scripts. We can request border crossing data from Canada Border Service Agency and US Border Patrol (with beneficiary's consent) which is relied on to track beneficiaries' whereabouts and determine whether they are residents of the province for MSP purposes.

The number of audits completed each year is dependent on several factors, including the size of the Unit, complexity of the files being investigated and the number of hearings requested. The amount identified for recovery is based on the benefits accessed by beneficiaries while ineligible and does not represent the recovered amounts by HAs, MOH (for OOP hospital services) and Revenue Services of BC for ineligible MSP/PC benefits. The number of identity referrals received has decreased since 2013 due to the implementation of the BC Services Card and the security enhancements made to it since.