DEPARTMENT of HEALTH and HUMAN SERVICES

Fiscal Year

2020

Office of Inspector General

Justification of Estimates for Appropriations Committees

Mission, Vision, and Values

The Department of Health and Human Services (HHS or Department) touches the lives of all Americans through programs that provide health insurance, promote public health, protect the safety of food and drugs, and fund medical research, among other activities.

Mission

The mission of the Office of Inspector General (OIG) is to protect the integrity of HHS programs and the health and welfare of the people they serve. As established by the Inspector General Act of 1978, OIG is an independent and objective organization that fights fraud, waste, and abuse and promotes efficiency, economy, and effectiveness in HHS programs and operations. It works to ensure that Federal dollars are used appropriately and that HHS programs serve the people who use them.

Vision

OIG's vision is to drive positive change in HHS programs and in the lives of the people served by those programs. It pursues this vision through independent oversight of HHS programs and operations and by providing HHS and Congress with objective and reliable information for use in policymaking. OIG assesses the Department's performance, administrative operations, and financial stewardship. It evaluates risks to HHS programs and recommends improvements. The law enforcement component of OIG investigates fraud and abuse against HHS programs and beneficiaries and holds wrongdoers accountable for their actions.

Values

OIG strives to be relevant, impactful, customer focused, and innovative. OIG applies these values to its work to persuade others to take action by changing rules, policies, and behaviors to improve HHS programs and operations. OIG strives to serve as a model for good government. Of key importance is engagement with its stakeholders—Congress, HHS, States, health and human services professionals, and consumers—to understand their needs, challenges, and interests in order to identify areas for closer scrutiny and offer recommendations for improvement. OIG uses input from stakeholders to develop its Work Plan, identify HHS's *Top Management and Performance Challenges,* and inform OIG's goals, priorities, and strategies for its oversight work.

https://oig.hhs.gov

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

I am pleased to present the U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG), fiscal year (FY) 2020 budget submission. This submission is in accordance with the Inspector General Act, as amended (5 U.S.C. App.). It represents OIG's budgetary requirements for meeting its responsibility to protect the integrity and efficiency of more than a hundred HHS programs and the health and welfare of the beneficiaries they serve.

OIG's FY 2020 budget requests a total of $403.2 million to oversee HHS programs. This includes $80 million for oversight of HHS's Public Health and Human Services (PHHS) programs and $323.2 million for oversight of the Medicare and Medicaid programs, including Health Care Fraud and Abuse Control (HCFAC) Program activities and law enforcement activities coordinated with HHS and the Department of Justice (DOJ).

OIG's objective, independent, credible oversight work identifies opportunities to decrease costs and increase efficiency and effectiveness of HHS programs. OIG works to hold accountable those who violate Federal laws or fail to meet program requirements. OIG deploys data-driven decisionmaking to identify oversight priorities and to produce high-value results.

OIG has set performance targets for the following priority areas: protecting beneficiaries from prescription drug abuse, including opioid abuse; promoting patient safety and accuracy of payments for services furnished in home and community settings; strengthening Medicaid protections against fraud and abuse; and ensuring health and safety of children served by grant-funded programs. Additional key oversight areas include cybersecurity, prescription drug pricing, managed care and other value-based healthcare programs, management of grants and contracts, financial stewardship of HHS programs, the Indian Health Service and other programs serving American Indians and Alaska Natives, and HHS's emergency preparedness and response.

OIG will continue to use the full complement of its oversight tools and authorities to pursue fraud, identify HHS's most significant risks, and make actionable recommendations to address them. OIG leverages modern data analytics to identify and target potential fraud schemes and areas of program waste and abuse. OIG continues to improve its capabilities to provide high-quality, timely, actionable data to OIG's frontline staff, to its Government partners, and, where appropriate, to private sector partners. OIG will continue to invest in cutting-edge data and technology to support its first-in-class workforce.

Since its establishment in 1976, OIG has been at the forefront of combating fraud, waste, and abuse. OIG consistently delivers results that strengthen HHS programs and produce substantial returns on investments for taxpayers. For example, in FY 2017, the HCFAC program, in which OIG is a major participant, returned to the Federal Government $4 for every $1 invested. Additional examples of OIG's accomplishments are highlighted in this submission. The funding requested will advance OIG's mission to protect the health and well-being of all Americans.

/s/
Daniel R. Levinson
Inspector General

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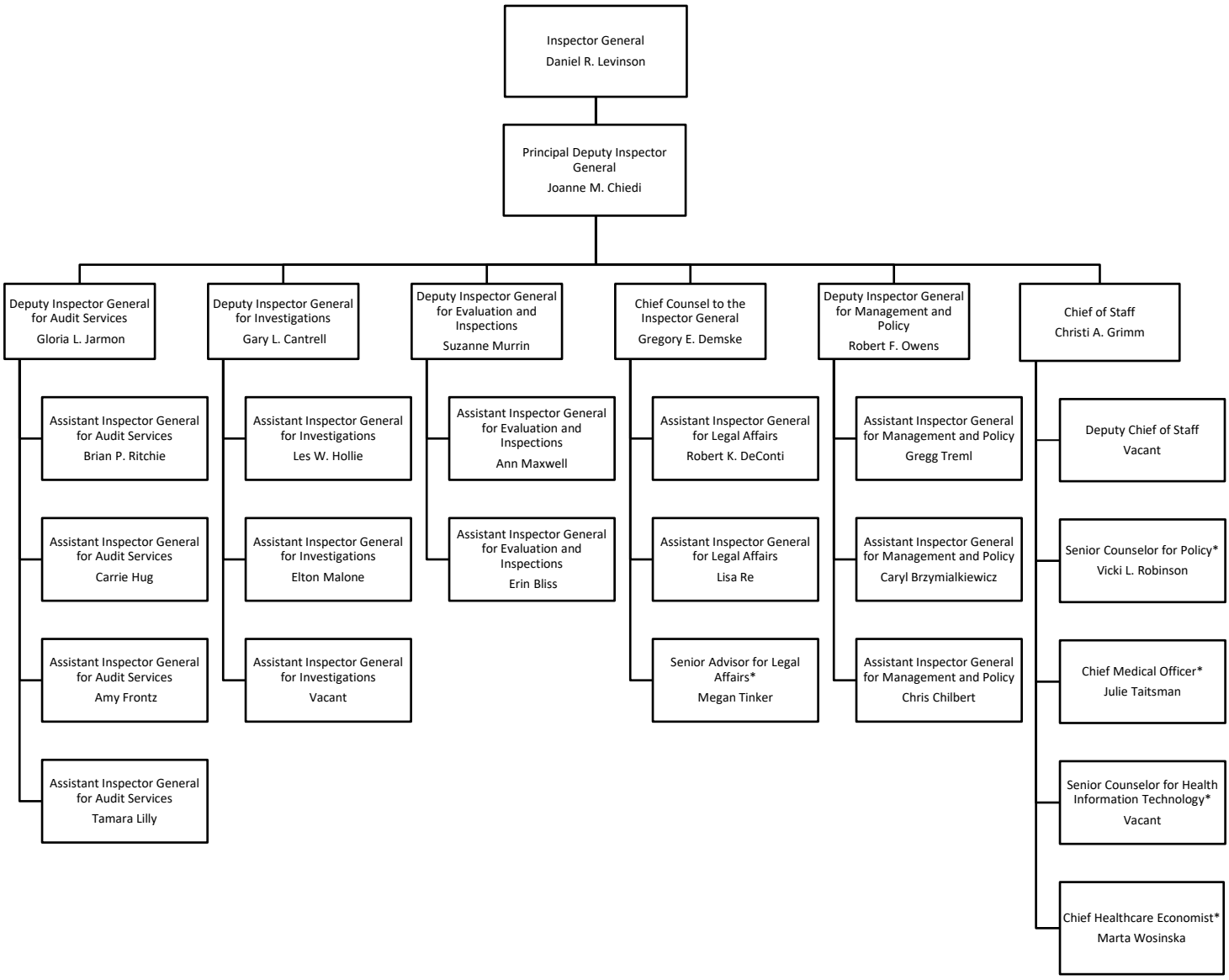
The FY 2020 Justification of Estimates for the Appropriations Committees

U.S. Department of Health and Human Services
Office of Inspector General

https://oig.hhs.gov

EXECUTIVE SUMMARY
OFFICE OF THE INSPECTOR GENERAL
Organizational Chart



Note: * denotes a Senior Level position.

Overview of Budget Request

The fiscal year (FY) 2020 request for the Office of Inspector General (OIG) is $403.2 million, $22.5 million above the FY 2019 Enacted Budget (post-sequester). The FY 2020 request does not estimate sequestration.

OIG provides objective, independent, credible oversight to drive positive change for the Department of Health and Human Services' (HHS's or the Department's) programs and the people they serve. OIG is at the forefront in preventing and detecting fraud and abuse in health and human services programs and, where necessary, enforcement to address violations of law. Increasingly, we are using our resources to promote the safety and quality of services delivered to beneficiaries by HHS programs. OIG delivers results and actionable information to program officials, policymakers, taxpayers, public-private partners, and HHS beneficiaries.

HHS is a complex agency with approximately 80,000 employees in the United States and across the globe and is responsible for administering a budget of more than $1 trillion. It is the largest grant-making agency and the fourth-largest contracting agency in the Federal Government. HHS administers Medicare and Medicaid, the largest public healthcare programs in the Nation. HHS programs deliver important health and human services that touch the lives of virtually every American. It is essential that they operate economically, effectively, and efficiently and are free from fraud, waste, and abuse.

OIG's request will continue to optimize resources to advance OIG's mission. This request includes dedicated resources to continue OIG's Public Health and Human Services (PHHS) oversight work at the FY 2019 enacted level and to continue OIG's oversight of evolving, complex, and costly HCFAC programs (Medicare and Medicaid), including resources for additional personnel and operational needs, such as data analysis tools. OIG will continue to focus strategically on developing a modern workforce and supporting it with tools to ensure 21st century oversight challenges are successfully addressed. These investments will advance the President's Management Agenda by fostering transformational change and paving the way for sustained improvement over time through greater efficiency, effectiveness, transparency, and accountability. OIG's workforce is, and will continue to be, well-trained, knowledge-rich, first in class, and strategically tailored to accomplish OIG's core mission; it will be supported by business-standard technology and data analytics capabilities needed to propel productivity and effectiveness across OIG's work.

OIG's request is divided into two main categories: (1) PHHS oversight, and (2) Medicare and Medicaid oversight (Health Care Fraud and Abuse Control (HCFAC) Program). The FY 2020 program level request for these categories includes:

PHHS Oversight:[1] $80.0 million and 349 full-time equivalent (FTE), a decrease of $6.5 million below the FY 2019 Enacted Budget. The request does not continue the FY 2019 transfer for additional oversight of the National Institutes of Health (NIH).

The Department's PHHS programs represent nearly $100 billion in spending. OIG will help strengthen PHHS programs by leveraging data, modern technology, specialized expertise, and strategic partnerships to target high-risk areas and maximize the effectiveness and outcomes of these critical programs. As it has done successfully for Medicare, OIG will use advanced data analytics and multidisciplinary state-of-the-art investigative techniques to address program integrity in PHHS grant programs and contract services. OIG will use an enterprise-wide data strategy to more effectively detect fraud that touches multiple programs. Key oversight focus areas within the FY 2020 request include cybersecurity; programs addressing opioid addiction, substance abuse treatment, and serious mental illness; health and safety of children served by HHS programs; quality, safety, and integrity in

[1]PHHS oversight includes programs authorized in Title I of the Affordable Care Act (ACA) and administered by the Centers for Medicare & Medicaid Services (CMS).

the Indian Health Service (IHS) and programs serving American Indians and Alaska Native populations; grants and contracts management; and emergency preparedness and response activities.

Medicare and Medicaid Oversight: $323.2 million and 1,321 FTE, an increase of $29.0 million above the FY 2019 Enacted Budget. This funding is subject to sequestration. Historically, sequestration has reduced OIG's annual funding by an average of $14 million. Sequestration reductions will be determined after the release of the FY 2020 President's Budget.

OIG will enhance and expand our HCFAC oversight activities to combat fraud, waste, and abuse in Medicare and Medicaid. OIG will continue its strategic program of investigations, audits, evaluations, inspections, and legal actions focused on preventing and detecting fraud and abuse in Medicare and Medicaid and, where necessary, taking enforcement actions to hold wrongdoers accountable. Key oversight areas for Medicare and Medicaid will continue to include prescription drug abuse (including opioids), home- and community-based services, cybersecurity and health information technology (including telehealth), prescription drug programs, managed care and value-based programs, improper payments, combating fraud, and strengthening program integrity (including provider enrollment and other integrity measures). OIG will continue to develop and use advanced data analytics and tools to provide cutting-edge, data-informed oversight. OIG will also continue to foster strong, productive relationships with Federal and State Government partners and public-private partners and to promote compliance through education and outreach efforts.

With the additional funding above the FY 2019 Enacted Budget, OIG will invest in oversight of the growth of services provided in home and community settings and for additional oversight of the Medicaid program.

Care in Home and Community Settings (+$10 million and +15 FTE)
OIG will use funding to increase oversight of services provided to beneficiaries in their homes and in other community settings. Services furnished in home and community settings include home health, hospice, personal care services, other home- and community-based services, and some telehealth services. The amount and type of services provided to beneficiaries in their homes is expected to expand as science and technology allow more types of care to be provided safely at home, program payment and coverage changes, and more beneficiaries prefer to be cared for at home. This request for funding will support expansion of OIG's fraud, waste, and abuse prevention, detection, and enforcement efforts to help ensure the integrity, quality, and safety of services rendered in homes and other community settings.

Medicaid Program Integrity (+$5 million and 5 FTE)
OIG will augment its capacity to use Medicaid data to transform the way OIG oversees Medicaid; to enhance Medicaid Fraud Control Units' (MFCUs' or Units') effectiveness and efficiency; and to audit the Medicaid drug rebate program. As part of its oversight of the Medicaid program, OIG is working to maximize the effectiveness of State MFCUs, thereby empowering States to better serve their populations.

Overview of Performance: Outcome Focused

FY 2014–2018 Strategic Plan

OIG's mission is to protect the integrity of HHS programs and the health and welfare of the people they serve. OIG's Strategic Plan focuses on four goals that drive OIG's work:

1. Fight fraud, waste, and abuse
2. Promote quality, safety, and value
3. Secure the future
4. Advance excellence and innovation

Shifting Strategy to Capture Positive Impact

OIG historically reported on outputs (for example, the number of products issued), which did not fully reflect the positive outcomes of our work for HHS programs, beneficiaries, and taxpayers. Moreover, OIG's work increasingly focuses on vulnerabilities in the quality and safety of services provided by HHS programs, work that is not readily quantifiable in dollars but has critically important impact on the lives of HHS beneficiaries. In recent years, we have devoted attention to better measuring outcomes in key priority areas. OIG is striving to build an innovative, agile, continuous learning organization that can respond quickly to changing oversight needs, including opportunities to improve safety and quality of services for beneficiaries and save taxpayer dollars.

Modernizing OIG's Infrastructure and Workforce

OIG employs data-driven decisionmaking to achieve outcome-focused results. OIG continues to modernize its infrastructure capacity to deliver high-quality, timely, actionable data to frontline staff, program officials, Federal and State law enforcement partners, and as appropriate, public-private partners. An important aspect of this effort is providing critical "data at the fingertips" to all OIG employees. For example, OIG's Consolidated Data Analysis Center (CDAC) has developed online tools to assist auditors, evaluators, investigators, attorneys, and other OIG professionals with data analysis, advanced analytics, predictive modeling, and data stewardship to support their work. More specifically, CDAC created the Payment by Geographic Area (PAYGAR) tool, which allows OIG staff to view and explore Medicare payments and other parameters for a geographic area on an interactive map. Some tools provide OIG staff the ability to view trends and access how a target provider's conduct compares to its peers, while others provide custom analytic reports that assess risks related to HHS grant programs and recipients.

Critical data is not always easily accessible. In the past, it would require hours, if not days, for OIG staff to extract, consolidate, validate, and analyze data. OIG used past resources to develop tools and technologies that substantially improved our efficiency in managing and analyzing data, especially Medicare data. We will continue to update and develop more capabilities with the FY 2020 request. Our current structured data from Medicare is more than 50 terabytes. With additional Medicaid data and PHHS grants and contracts data, we anticipate our data to grow to the petabyte range. To accommodate growth in data and other technology advancements, OIG must continue to update its aging infrastructure and replace outdated legacy systems and applications. Further, OIG must continually sustain and update new systems. OIG's planned technology enhancements will automate additional tedious and time-consuming tasks, allowing OIG staff to increase productivity and efficiency and develop more impactful reports and investigations.

OIG Priority Outcomes

With a $1 trillion portfolio to oversee, OIG sets priority outcomes to achieve the greatest impact across HHS's diverse programs. In the FY 2019 President's Budget, OIG introduced performance indicators that align with OIG's priority outcomes. For each priority outcome area, OIG executives and senior-level staff develop strategies, drive action, unleash organizational creativity, and measure impact to provide solutions and improve outcomes for HHS programs and beneficiaries. OIG's current priority

outcome areas were selected on the basis of past and ongoing work, top challenges facing HHS as identified annually by OIG, ability to collect data, and ability to influence outcomes. OIG's priority outcome areas fall into two broad categories:

1. **Minimize risks to beneficiaries**
    - Protect beneficiaries from prescription drug abuse, including opioids
    - Ensure health and safety of children served by HHS grants
2. **Safeguard programs from improper payments and fraud**
    - Promote patient safety and accuracy of payment in home and community settings
    - Strengthen Medicaid protections against fraud and abuse

All-Purpose Table[2]

(Dollars in millions)

	FY 2018 Final[3]	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
PHHS Oversight[4]				
Discretionary Budget Authority (BA) (L/HHS)	$80,000	$80,000	$80,000	$-
FDA Transfer (Ag)	1,500	1,500	-	-1,500
NIH Transfer (L/HHS)	-	5,000	-	-5,000
Subtotal, PHHS Oversight	**$81,500**	**$86,500**	**$80,000**	**-$6,500**
Medicare/Medicaid Oversight				
HCFAC Mandatory BA	190,389	195,755	213,248	+17,493
HCFAC Discretionary BA	84,398	87,230	98,000	+10,770
Subtotal, Medicare/Medicaid Oversight BA[5]	**274,787**	**282,985**	**311,248**	**+28,263**
HCFAC Estimated Collections[6]	12,372	11,256	12,000	+744
Subtotal, Medicare/Medicaid Oversight Program Level (PL)	**287,159**	**294,241**	**323,248**	**+29,007**
Total BA	**356,287**	**369,485**	**391,248**	**+21,763**
Total PL	**$368,659**	**$380,741**	**$403,248**	**+$22,507**
FTE	1,601	1,650	1,670	+20
NEF OIG IT Improvements	-	$11,315	-	-$11,315

[2] Table excludes non-HCFAC reimbursable funding. In FY 2018, OIG obligated $14.6 million in non-HCFAC reimbursable funding. The estimate for FYs 2019 and 2020 is $21 million. This estimate includes funds from §6201 of the ACA for OIG to evaluate a nation-wide program for national and State background checks on direct-patient-access employees of long-term-care facilities and providers.

[3] Reflects FY 2018 required and permissive transfers. Funding level does not include supplemental hurricane appropriations $2 million.

[4] PHHS oversight includes oversight of programs authorized in Title I of the ACA and administered by the Center of Consumer Information and Insurance Oversight (CIIO), a component of CMS.

[5] OIG's HCFAC funding is drawn from the Medicare Hospital Insurance Trust Fund (§ 1817(k)(3) of the Social Security Act) and is requested and provided through the CMS budget.

[6] In FY 2018, OIG collected $13.2 million under authority of 42 U.S.C. 1320a-7c (§ 1128C of the Social Security Act), and the actual amount sequestered is more than $870,557. The table includes estimates for HCFAC collections for FYs 2019 and 2020, and the amounts available will depend on the amounts collected.

BUDGET EXHIBITS

Appropriations Language

Office of Inspector General

For expenses necessary for the Office of Inspector General, including the hire of passenger motor vehicles for investigations in carrying out the provisions of the Inspector General Act of 1978, $80,000,000: *Provided,* That of such amount, necessary sums shall be available for providing protective services to the Secretary and investigating nonpayment of child support cases for which non-payment is a Federal offense under 18 U.S.C. 228.

Amounts Available for Obligation[7]

(Dollars in thousands)

	FY 2018 Final[8]	FY 2019 Enacted	FY 2020 President's Budget
General Fund Discretionary Appropriation:			
Annual appropriation (Labor/HHS)	$80,000	$80,000	$80,000
Total, Discretionary Appropriation	**80,000**	**80,000**	**80,000**
Transfers:			
Transfer from NIH	-	5,000	-
Transfer from FDA	1,500	1,500	-
Total, Transfer	**3,500**	**6,500**	**-**
Offsetting Collections from:			
Trust Fund HCFAC Discretionary	84,398	87,230	98,000
Amount Sequestered	-	-	-
Total, HCFAC Discretionary	**84,398**	**87,230**	**98,000**
Offsetting Collections from:			
Trust Fund HCFAC Mandatory	199,685	203,842	213,248
Amount Sequestered	-13,453	-12,939	-
Additional Amounts	-	-	-
Recoveries from prior years	-	-	-
Estimated Collections[9]	13,190	12,000	12,000
Amount Sequestered from Collections	-871	-744	-
Previously Sequestered, but Available	792	871	744
Total, HCFAC Mandatory	**199,343**	**203,030**	**225,992**
Total Amount Sequestered	-14,324	-13,683	-
Offsetting collections from:			
Unobligated balance, start of year	38,660	40,813	8,101
Unobligated balance, end of year	40,813	8,101	10,000
Unobligated balance, lapsing	-492	-300	-300
Total obligations	**$380,580**	**$410,731**	**$400,272**

[7] Table excludes non-HCFAC reimbursable funding. In FY 2018, OIG obligated $14.6 million in non-HCFAC reimbursable funding. The estimate for both FYs 2019 and 2020 is $21 million.

[8] Reflects FY 2018 required and permissive transfers. Funding level does not include supplemental hurricane appropriations of $2 million.

[9] The table includes the estimated collections for FY 2019 and FY 2020.

Summary of Changes

(Dollars in thousands)

2019 Enacted	
Total estimated budget authority	$86,500
(Obligations)	$86,500
2020 President's Budget	
Total estimated budget authority	$80,000
(Obligations)	$80,000
Net Change	($6,500)

	FY 2019 Final	FY 2020 PB FTE	FY 2020 PB BA	FY 2020 +/- FY 2019 FTE	FY 2020 +/- FY 2019 BA
Built-in Changes					
Increases:					
A. Built-in:					
1. Provide for salary of FTE	$59,764	339	$60,824	-	+$1,060
a. Increase due to FY 2019 Pay Adjustments (non-add)	*$1,178*	-	*$1,060*	-	*-$118*
2. Provide for General Services Administration (GSA) rent	$5,357	-	$5,942	-	+$585
a. Increase due to GSA rent (non-add)	-	-	$585	-	+$585
Subtotal, Built-in Increases	**$65,121**	**339**	**$66,767**	**-**	**+$1,645**
Decreases:					
A. Built-in:					
1. Costs related to general operating expenses	$14,879	-	$13,234	-	-$1,645
a. Change in operating expenses (non-add)	*-$1,003*	-	*-$1,645*	-	*-$642*
Subtotal, Built-in Decreases	**$14,879**	**-**	**$13,234**	**-**	**-$1,645**
Subtotal, Built-in Changes	**$80,000**	**339**	**$80,000**	-	**-$0**
Program Changes					
A Program					
1. NIH Transfer	$5,000	-	-	-	-$5,000
2. FDA Transfer	$1,500	-	-	-	-$1,500
Subtotal, Program Changes	**$6,500**	**-**	**-**	**-**	**-$6,500**
Net Change	**$86,500**	**339**	**$80,000**	**-**	**-$6,500**

Note: Table displays OIG's Direct Discretionary funding only. OIG's HCFAC Discretionary BA is appropriated to the CMS HCFAC account.

Budget Authority by Activity[10]

(Dollars in thousands)

	FY 2018 Final[11]	FY 2019 Enacted	FY 2020 President's Budget
PHHS Oversight			
Discretionary BA [12]	$81,500	$86,500	$80,000
Subtotal, PHHS Oversight	**81,500**	**86,500**	**80,000**
Medicare and Medicaid Oversight			
HCFAC Mandatory BA	190,389	195,755	213,248
HCFAC Discretionary BA	84,398	87,230	98,000
Subtotal, Medicare and Medicaid Oversight BA [13]	**274,787**	**282,985**	**311,248**
[HCFAC Collections [14]]	[12,372]	[11,256]	[12,000]
[Subtotal, Medicare and Medicaid Oversight PL]	**[287,159]**	**[294,241]**	**[323,248]**
Total, BA	**356,287**	**369,485**	**391,248**
[Total, PL]	**[$368,659]**	**[$380,741]**	**[$403,248]**
FTE	1,601	1,650	1,670

[10] Table excludes non-HCFAC reimbursable funding. In FY 2018, OIG obligated $14.6 million in non-HCFAC reimbursable funding. The estimate for FYs 2019 and 2020 is $21 million. This estimate includes funds from §6201 of the ACA for OIG to evaluate a nation-wide program for national and State background checks on direct-patient-access employees of long-term-care facilities and providers. OIG obligated $163,251 for this effort in FY 2018.

[11] Reflects FY 2018 required and permissive transfers. Funding level does not include supplemental hurricane appropriations of $2 million.

[12] OIG's Discretionary BA includes $1.5 million transferred from FDA in FY 2018-2019 and $5 million transferred from NIH in FY 2019.

[13] OIG's HCFAC funding is drawn from the Medicare Hospital Insurance Trust Fund (§1817(k)(3) of the Social Security Act) and is requested and provided through the CMS budget.

[14] In FY 2018, OIG collected $13.2 million under authority of 42 U.S.C. 1320a-7c (§1128C of the Social Security Act), and the actual amount sequestered is $870,557. The table includes estimates for HCFAC collections for FY 2019 and FY 2020, and the amounts available will depend on the amounts collected.

Authorizing Legislation[15]

(Dollars in thousands)

	FY 2019 Amount Authorized	FY 2019 Amount Appropriated	FY 2020 Amount Authorized	FY 2020 President's Budget
OIG:				
1. Inspector General Act of 1978 (P.L. No. 95-452, as amended)……..	Indefinite	$80,000	Indefinite	$80,000
2. Health Insurance Portability and Accountability Act of 1996 (HIPAA) (P.L. No.104-191, as amended), HCFAC Mandatory……..	$195,755	$195,755	$213,248	$213,248
HIPAA, as amended, HCFAC Discretionary.....	Indefinite	$87,230	Indefinite	$95,000
HIPAA, as amended, HCFAC Collections……..	Indefinite	$11,256	Indefinite	$12,000
Unfunded authorizations:				
1. 21st Century Cures Act (P.L. No 114-255, as amended)…….	$0	$0	$0	$0

[15] The table includes estimates for HCFAC collections for FYs 2019 and 2020, and the amounts available will depend on the amounts collected.

Appropriations History

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
FY 2011				
Direct Discretionary	$51,754,000	-	$54,754,000	$50,278,000
Rescission	-	-	-	($100,000)
HCFAC Discretionary Allocation Adjustment	$94,830,000	-	$94,830,000	$29,730,000
Rescission	-	-	-	($59,000)
HCFAC Mandatory	$177,205,000	-	-	$197,998,000
FY 2012				
Direct Discretionary	$53,329,000	-	$50,178,000	$50,178,000
Rescission	-	-	-	($95,000)
Public Health Services Evaluation Set-Aside	$10,000,000	-	-	-
HCFAC Discretionary Allocation Adjustment	$97,556,000	-	$97,556,000	$29,730,000
Rescission	-	-	-	($56,000)
HCFAC Mandatory	$193,387,000	-	-	$196,090,000
FY 2013				
Direct Discretionary	$58,579,000	-	$55,483,000	$50,083,000
Rescission	-	-	-	($100,000)
Sequestration	-	-	-	($2,518,000)
HCFAC Discretionary Allocation Adjustment	$102,500,000	-	$102,500,000	$29,855,000
Rescission	-	-	-	($59,348)
Sequestration	-	-	-	($1,492,771)
HCFAC Mandatory[16]	$196,669,000	-	-	$196,299,000
Sequestration	-	-	-	($10,011,228)
Disaster Relief Appropriations Act of 2013	-	-	-	$5,000,000
Sequestration	-	-	-	($251,849)
FY 2014				
Direct Discretionary	$68,879,000	-	$59,879,000	$71,000,000
HCFAC Discretionary Allocation Adjustment	$29,790,000	-	$107,541,000	$28,122,000
HCFAC Mandatory	$278,030,000	-	-	$199,331,000
Sequestration	-	-	-	($14,351,831)
FY 2015				
Direct Discretionary[17]	$75,000,000	-	$72,500,000	$72,500,000
HCFAC Discretionary Allocation Adjustment	$28,122,000	-	$112,918,000	$67,200,000
HCFAC Mandatory	$285,129,000	-	-	$200,718,000
Sequestration	-	-	-	($14,652,449)
FY 2016				
Direct Discretionary[17]	$83,000,000	$75,000,000	$72,500,000	$76,500,000
HCFAC Discretionary Allocation Adjustment	$118,631,000	$67,200,000	$77,275,000	$67,200,000
HCFAC Mandatory	$203,262,000	-	-	$201,305,000
Sequestration		-	-	($13,688,377)
FY 2017				
Direct Discretionary[17]	$85,000,000	$86,500,000	$76,500,000	$76,500,000
Rescission	-	-	-	($145,427)
HCFAC Discretionary Allocation Adjustment	$121,824,000	$67,200,000	$79,355,000	$67,200,000

[16] The HCFAC Mandatory amount for FY 2013 does not include $7.1 million allocated to OIG by HHS.

[17] The Direct Discretionary amount for FYs 2015–2018 includes $1.5 million transferred from FDA, consistent with the annual appropriations acts.

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
HCFAC Mandatory	$200,273,000	-	-	$199,684,560
Sequestration	-	-	-	($13,778,235)
FY 2018				
Discretionary Direct[18, 19]	$68,085,000	$81,500,000	$81,500,000	$81,500,000
HCFAC Discretionary Allocation Adjustment	$74,246,000	$82,132,000	$84,398,000	$84,398,000
HCFAC Mandatory	$203,842,374	-	-	$203,842,374
Sequestration	-	-	-	($13,453,597)
FY 2019				
Discretionary Direct[19]	$80,000,000	$81,500,000	$81,500,000	$86,500,000
HCFAC Discretionary Allocation Adjustment	$87,230,000	$87,230,000	$87,230,000	$87,230,000
HCFAC Mandatory	$208,289,651	-	-	$195,755,000
Sequestration	-	-	-	($12,939,024)
FY 2020				
Discretionary Direct	$80,000,000			
HCFAC Discretionary Allocation Adjustment	$98,000,000			
HCFAC Mandatory	$213,248,000			
Sequestration	-			

[18] Reflects FY 2018 required and permissive transfers. Funding level does not include supplemental hurricane appropriations of $2 million.

[19] The Direct Discretionary amount for FYs 2019 includes $1.5 million transferred from FDA, consistent with the annual appropriations act.

https://oig.hhs.gov

NARRATIVE BY ACTIVITY

OIG Summary of Request

(Dollars in thousands)

	FY 2018 Final[20]	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
PHHS Oversight[21]	$81,500	$86,500	$80,000	-$6,500
Medicare and Medicaid Oversight[22]	287,159	294,241	323,248	+29,007
Total	**$368,659**	**$380,741**	**$403,248**	**+$22,507**
FTE	1,601	1,650	1,670	+20

Authorizing Legislation ..... Inspector General Act of 1978, as amended
FY 2018 Authorization ..... Indefinite
Allocation Method ..... Direct Federal

Program Description

Since 1976, OIG has been at the forefront of the Nation's efforts to fight fraud, waste, and abuse through independent, objective, credible oversight. OIG carries out its robust agenda through audits, evaluations, inspections, investigations, and legal actions in accordance with professional standards established by the Government Accountability Office (GAO), the Department of Justice (DOJ), and the Inspector General (IG) community. At all levels, OIG staff works closely with HHS operating divisions (OPDIVs) and staff divisions (STAFFDIVs), DOJ, other IG offices, other Federal agencies in the Executive Branch, Congress, State and local agencies, and private-sector partners to bring about systemic improvements (e.g., through implementation of OIG recommendations), successful prosecutions, negotiated settlements, and recovery of funds to protect the integrity of HHS programs and expenditures and the well-being of HHS program beneficiaries.

HHS is a complex agency with approximately 80,000 employees in the United States and across the globe and is responsible for administering a budget of more than $1 trillion. It is the largest grant-making agency and the fourth-largest contracting agency in the Federal Government. HHS administers Medicare and Medicaid, the largest public healthcare programs in the Nation. HHS programs deliver important health and human services that touch the lives of virtually every American. It is essential that they operate economically, effectively, and efficiently and are free from fraud, waste, and abuse.

OIG's work focuses on prevention and detection of fraud, waste, and abuse in HHS programs and, when necessary, enforcement. OIG investigates HHS employee, contractor, and grantee misconduct and violations of criminal law. OIG also investigates criminal and civil fraud allegations against providers, suppliers, and other entities delivering healthcare services to Medicare and Medicaid beneficiaries. OIG brings administrative actions against wrongdoers to impose monetary penalties and exclude bad actors from participation in Federal healthcare programs. The audits, evaluations, and

[20] Reflects FY 2018 required and permissive transfers. Funding level does not include supplemental hurricane appropriations of $2 million.

[21] The FY 2018 PHHS amount includes the $1.5 million transfer from the Food and Drug Administration appropriation. The FY 2019 PHHS amount includes the $5 million transfer from the National Institutes of Health appropriation. PHHS oversight includes oversight of programs authorized in Title I of the ACA and administered by CMS.

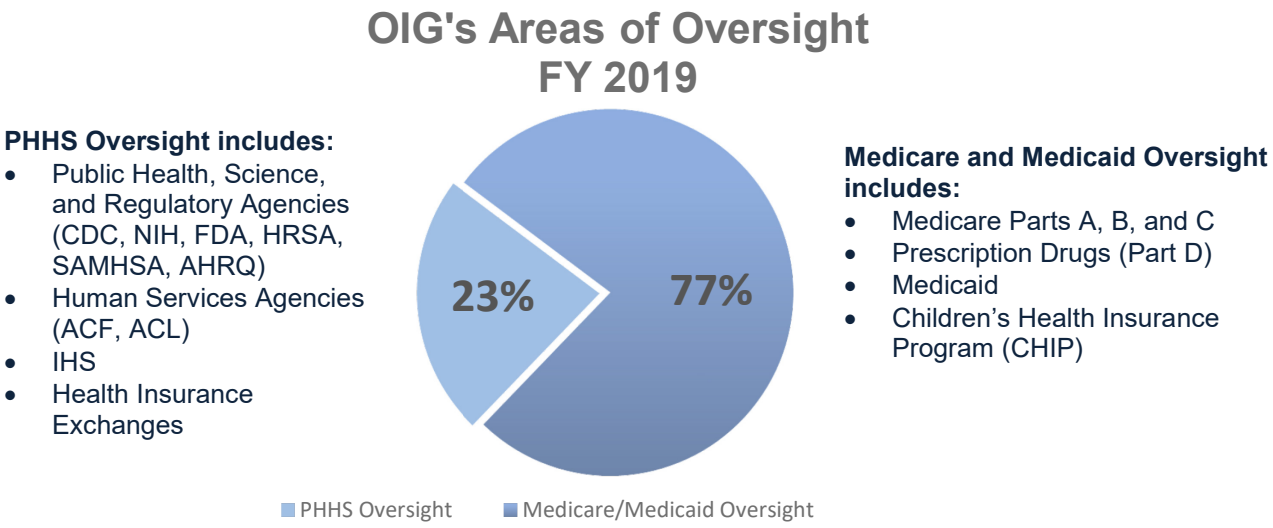
[22] The request for Medicare and Medicaid oversight includes HCFAC funding, which is drawn from the Medicare Hospital Insurance Trust Fund (sec. 1817(k)(3) of the Social Security Act) and is requested and provided through the CMS budget. Additionally, this total includes an estimate for HCFAC collections.

inspections conducted by OIG identify misspent funds, wasteful practices, and quality-of-care and patient-safety vulnerabilities. OIG makes recommendations for recovery of misspent funds, improved internal controls, and improved program management and delivery of services. OIG agents provide physical protection for the Secretary of Health and Human Services.

Our work helps ensure that taxpayer investments in HHS programs are used economically, effectively, and efficiently to achieve their intended purposes. In addition to safeguarding Federal funds, OIG is dedicating resources to promote the safety and quality of services delivered by HHS programs. OIG will continue to employ a modern, multidisciplinary, first-in-class workforce and give employees the tools, technologies, and data they need to successfully address 21st century oversight challenges and continue to propel productivity and efficiency across OIG's work.

OIG's funding falls into two broad categories: (1) PHHS, which includes oversight of more than 100 HHS programs and (2) Medicare and Medicaid. In a given year, the amount of work conducted in each category is set by the purpose limitations in OIG's appropriations.

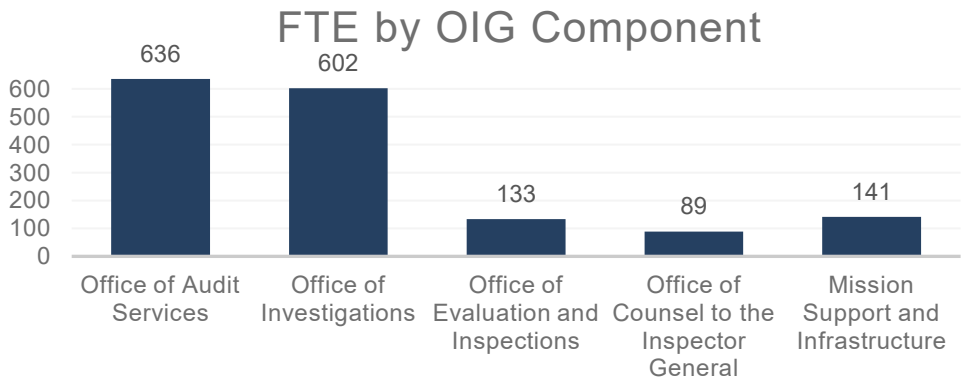
In FY 2019, 23 percent of OIG's resources are directed toward HHS's PHHS programs and management processes. This includes food and drug safety, disaster relief, IHS oversight, child support enforcement, the Unaccompanied Alien Children (UAC) program, the integrity of departmental contract and grant programs and transactions (including those related to the opioid epidemic), and oversight of the health insurance exchanges. The majority (77 percent) of OIG's funding is directed toward oversight of the Medicare and Medicaid programs.



OIG employs a multidisciplinary workforce—investigators, auditors, evaluators, attorneys, data analysts, program specialists, clinicians, a healthcare economist, digital and technology specialists, and other experts. This workforce brings together multiple professional skills, tools, and perspectives to tackle complicated health and human services issues and sophisticated fraud schemes. For example, OIG pairs criminal investigators and forensic auditors—armed with data and technology—to investigate complex financial fraud cases more effectively. This crosscutting approach allows OIG to deploy its expertise and authorities strategically across disciplines to address fraud, starting with prevention and detection and, where necessary, ending with enforcement.

OIG maintains a Washington, DC office and a nation-wide network of regional and field offices; more than 70 percent of employees work outside of the Metropolitan Washington, DC area.

In FY 2018, OIG's total funding supported 1,601 FTE across OIG's 5 components.



Office of Audit Services (OAS)
OAS conducts audits of HHS programs and operations through its own resources or overseeing audit work done by others. Audits examine the performance of HHS programs and/or of HHS's grantees and contractors in carrying out their respective responsibilities and provide independent assessments of HHS programs and operations. These assessments help reduce waste, abuse, and mismanagement and promote the economy, efficiency, and effectiveness of programs and operations throughout HHS.

Office of Evaluation and Inspections (OEI)
OEI conducts national evaluations to provide HHS, Congress, and the public with timely, useful, and reliable information on significant issues. These evaluations focus on preventing fraud, waste, and abuse and promoting economy, efficiency, and effectiveness in HHS programs. OEI reports also present practical recommendations for improving program operations.

Office of Investigations (OI)
OI conducts criminal, civil, and administrative investigations of fraud and misconduct related to HHS programs, operations, and beneficiaries. With investigators working in almost every State, the District of Columbia, and Puerto Rico, OI coordinates with DOJ and other Federal, State, and local law enforcement authorities. OI also coordinates with OAS and OEI when audits and evaluations uncover potential fraud. OI's investigative efforts often lead to criminal convictions, administrative sanctions, or civil monetary penalties (CMPs).

Office of Counsel to the Inspector General (OCIG)
OCIG provides legal services to OIG, rendering advice and opinions on HHS programs and operations and providing all legal support for OIG's internal operations. OCIG represents OIG in all civil and administrative fraud and abuse cases involving HHS programs, including False Claims Act (FCA), program exclusion, self-disclosure, and CMP cases. In connection with these cases, OCIG also negotiates and monitors corporate integrity agreements (CIAs). OCIG renders advisory opinions, issues compliance program guidance, publishes fraud alerts, and provides other guidance to the healthcare industry about the anti-kickback statute and other OIG enforcement authorities.

Mission Support and Infrastructure (MSI)
MSI is composed of the Immediate Office of the Inspector General and the Office of Management and Policy. MSI is responsible for coordinating OIG activities and providing mission support, including setting vision and direction for OIG's priorities and strategic planning; ensuring effective management of budget, finance, human resource management, and other operations; and serving as a liaison with HHS, Congress, and other stakeholders. MSI plans, conducts, and participates in a variety of cooperative projects within HHS and with other Government agencies. MSI provides critical data

analytics, data management, and information technology (IT) infrastructure that enables OIG components to conduct their work efficiently and effectively.

Significant Accomplishments

The OIG accomplishments described below are from FY 2018. For a complete discussion of OIG's recent accomplishments, please see the OIG's *Spring 2018 Semiannual Report to Congress* and the *Fall 2018 Semiannual Report to Congress* on the OIG website.

2018 National Healthcare Fraud Takedown: Combating Healthcare Fraud and the Opioid Epidemic
In June 2018, HHS-OIG, along with its Federal and State law enforcement partners, participated in the largest healthcare fraud takedown in history. More than 1,000 law enforcement personnel took part in the operation, including 350 OIG special agents, along with personnel from 30 MFCUs. More than 600 defendants in 58 Federal districts were charged with participating in fraud schemes involving about $2 billion in losses to Medicare and Medicaid. Of those charged, 165 were medical professionals, including 32 physicians charged for roles in inappropriately prescribing and distributing opioids and other dangerous narcotics.

Throughout the year, the criminal law enforcement efforts are complemented by exclusions of problem providers from participating in Federal healthcare programs. Between the July 2017 takedown and the June 2018 takedown, OIG issued exclusion notices to 587 doctors, nurses, and other providers because of conduct related to opioid diversion and abuse. Among these were 94 prescribers who were collectively paid close to $43 million annually in CMS spending.

These enforcement actions protect Medicare and Medicaid and deter fraud, sending a strong signal that theft from these taxpayer-funded programs will not be tolerated.

June 2018 Opioids Data Brief and Analysis Toolkit: Identifying Beneficiaries At Risk
OIG is using data analytics to complement its law enforcement work to address the opioid epidemic and protect beneficiaries from prescription drug misuse and abuse. In 2018, OIG issued a data brief providing the most up to date data on the number of Part D beneficiaries receiving high and extremely high amounts of opioids and beneficiaries who appear to be doctor shopping, putting them at risk of opioid misuse and overdose. The data brief also identified Part D prescribers who had questionable opioid prescribing for those particular beneficiaries. The results are being used by OIG and OIG's law enforcement partners to further investigate some of these prescribers for possible fraud. We also shared the information with CMS so that it can use tools at its disposal to address high risk beneficiaries and their prescribers that have questionable billing.

Additionally, OIG published a data analysis toolkit, which provides step-by-step technical instructions to translate opioid prescriptions across different drugs into a common denominator (morphine equivalence dose (MED)) and then to identify beneficiaries receiving specific levels of MED and those who exhibit doctor shopping behavior. The toolkit enables analysts from our Federal, State, and private insurance partners to use their own prescription data to replicate OIG's analysis (analysis, possibly with different thresholds). The CDC posted the toolkit to its public website aimed at researchers and analysts.

Joint Report: Ensuring Beneficiary Health and Safety in Group Homes Through State Implementation of Comprehensive Compliance Oversight
In January 2018, OIG, the HHS Administration for Community Living (ACL), and the HHS Office of Civil Rights (OCR) jointly published a report that provides CMS and states with concrete tools to address systemic problems at group homes that put beneficiaries at risk of serious harm. OIG spearheaded this collaborative effort, which included input from CMS, DOJ, and state stakeholders. The genesis for the Joint Report was a series of OIG audits of group homes in Connecticut, Massachusetts, and Maine that found serious lapses in basic health and safety practices. These reports included recommendations to

increase training, update policies and procedures, and provide access to Medicaid claims data. OIG made multiple referrals to local law enforcement to address specific incidents of harm. The Joint Report includes model practices and a roadmap for states on how to implement better health and safety practices, many of which are already required. The Joint Report made three suggestions to CMS for improved oversight and responsive action to protect group home residents. CMS concurred and has taken steps to implement them.

Protecting the Health and Safety of Children in HHS Programs

HHS programs provide critical health and human services to children through programs such as the UAC program, foster care, and programs funded through the Child Care and Development Fund (CCDF). OIG has found that some grantees have not met certain requirements important for ensuring the health and safety of children in their care. For example, OIG is conducting broad oversight of the UAC program administered by the Office of Refugee Resettlement (ORR) within ACF. In 2018, OIG continued to issue audits based on visits to 51 facilities in six states focused on health, safety, and well-being of children from 2014 through 2016. Additionally, OIG conducted extensive data collection at ORR grantee facilities caring for children and issued a memorandum to ACF identifying concerns about staff background checks and the number of clinicians on staff at the Tornillo Influx Care Facility. Both issues warranted immediate attention by ACF because of substantial risks to children. OIG's oversight work addressing health and safety vulnerabilities in the UAC program is ongoing.

Improving Financial Management and Reducing Improper Payments in Medicare

OIG examined a broad range of Medicare payments in FY 2018. For example, OIG examined payments to inpatient rehabilitation facilities (IRFs). OIG estimated that Medicare paid $5.7 billion for care that did not meet Medicare's coverage requirements. For 175 of 220 sampled stays, medical record documentation did not support that IRF care was reasonable and necessary in accordance with Medicare's requirements. Based on sample results, OIG estimated that Medicare paid IRFs $5.7 billion in 2013 for care that was not reasonable and necessary. OIG's prior reviews have also found that some hospitals did not comply with Medicare coverage and documentation requirements for IRF services. We made four recommendations for CMS to help improve IRF compliance, increase oversight, and reevaluate the IRF payment system. CMS concurred and reported that it is taking or plans to take steps to implement the recommendations.

Expected Recoveries, Questioned Costs, and Funds Put to Better Use[23]

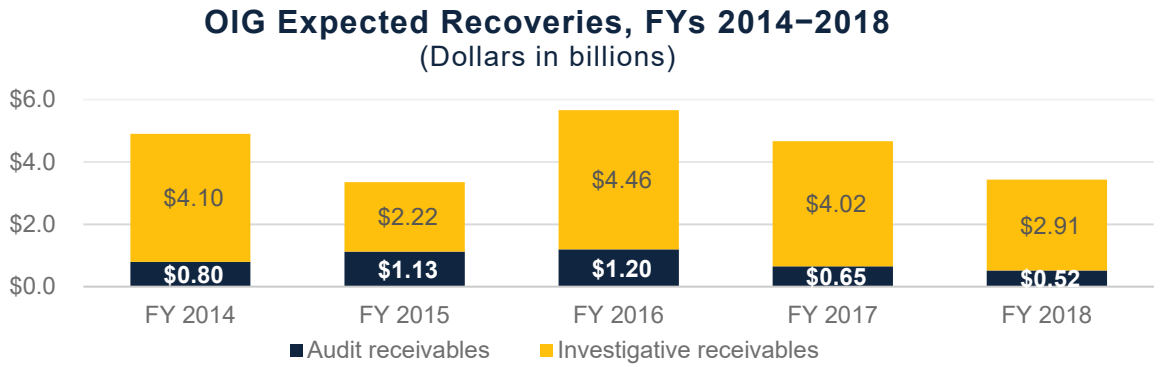
As noted in the *Fall 2018 Semiannual Report to Congress*, OIG reported expected recoveries of approximately $3.43 billion in fines, penalties, and stolen and misspent funds in FY 2018. The FY 2018 expected recoveries have resulted in an OIG return on investment (ROI) on health-care-related oversight of $13:$1.[24] Over the last 5 years, OIG's average expected recoveries were $4.67 billion annually.

For FY 2018, OIG issued reports with $2 billion in questioned costs. For example, OIG identified unauthorized financial assistance payments to health plan issuers totaling $939.3 million and $180 million in unallowable Medicaid reimbursements for specialty mental health services. In FY 2018, OIG

[23] These amounts are typically post-adjudicated amounts and CMPs resulting from investigations and, in the case of audits, recommended disallowances and audit recoveries to which HHS management has agreed and on which it has taken action. Additional details are available in OIG's Fall 2018 *Semiannual Report to Congress*.

[24] OIG's healthcare-related oversight ROI includes expected recoveries from OIG's oversight of Medicare and Medicaid and related expenses. This differs from the HCFAC ROI, which includes actual recoveries to the Federal Government and expenses from all agencies participating in the HCFAC program (i.e., DOJ, HHS-OIG, and CMS). We expect the ROI to fluctuate over time due to factors such as the type and size of settlements and identified disallowances, the complexity of schemes that are the subject of OIG scrutiny in a given year, and heightened focus on high-value but lower-dollar work addressing patient safety and quality of care. For example, OIG has seen a decrease in large pharmaceutical fraud settlements.

also issued reports with $823 million in funds put to better use. This included, for example, a recommendation that CMS work with Medicare contractors to establish periodic reviews of claims for replacement positive airway pressure device supplies, which could have saved Medicare an estimated $631 million over a 2-year period.

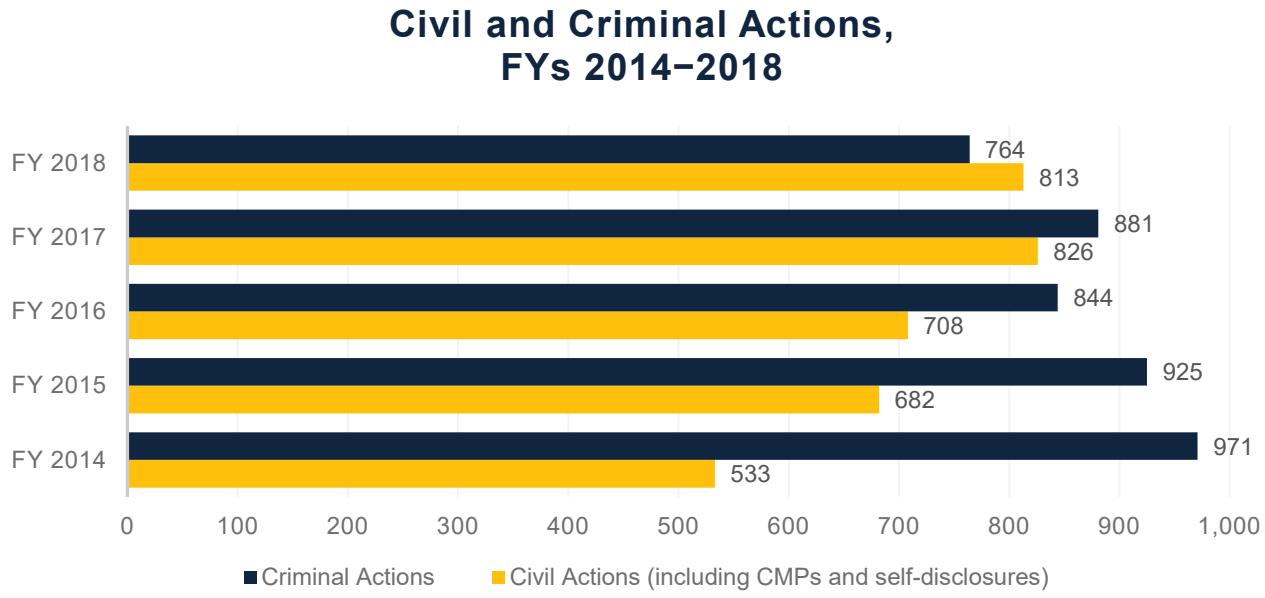


Note: Audit and investigative receivable subtotals above may not equal reported OIG totals due to rounding.

Criminal and Civil Actions

Working in concert with its law enforcement partners in FY 2018, OIG conducted investigations that resulted in 764 criminal actions against individuals or entities that engaged in crimes against HHS programs, and 813 civil actions, many of which related to provider self-disclosure matters. During FY 2018, OIG provider self-disclosure cases resulted in more than $59.9 million in HHS receivables. In the same period, OIG imposed 2,712 program exclusions, and 3 corporate CIA penalties.

The Civil Monetary Penalties Law (CMPL) authorizes OIG to impose administrative penalties, assessments, and exclusions against a person who, among other things, submits, or causes to be submitted, claims to a Federal healthcare program that the person knows, or should know, are false or



fraudulent. During FY 2018, OIG imposed 213 CMPs and settled cases totaling more than $66.1 million in CMPs and assessments involving HHS healthcare programs.[25]

False Claims Act (FCA) Settlements and CIA Monitoring

Working with law enforcement partners at DOJ and other Federal and State agencies, OIG attorneys and investigators pursue civil fraud cases against entities and individuals that defraud Federal healthcare programs and endanger the health and safety of HHS beneficiaries. OIG's Office of Counsel represents HHS in the settlement of civil FCA cases. OIG often negotiates compliance obligations (CIAs) with defendants as part of FCA settlements that provide for future oversight by OIG.

During this period, 332 FCA settlement agreements resulted in receivables of over $2.6 billion, and OIG entered into 55 related CIAs. At any given time, OIG is generally monitoring approximately 250 providers' compliance with CIAs.

HCFAC Program ROI

Under the joint direction of the Attorney General and the Secretary of Health and Human Services acting through OIG, the HCFAC program coordinates Federal, State, and local law enforcement activities with respect to healthcare fraud and abuse. The most recent ROI from the FY 2017 annual HCFAC report for the HCFAC program is approximately $4.2 returned for every $1 invested.[26] This is a ratio of actual monetary returns to the Government to total HCFAC program appropriations. From the HCFAC program's inception in 1997, program activities have returned more than $32 billion to the Medicare trust fund. The HCFAC program's continued success in returning more money than is spent confirms the soundness of a collaborative approach to identify and prosecute the most egregious instances of healthcare fraud, to prevent future fraud, and to protect program beneficiaries.[27]

Program Improvements Through Recommendations Implemented and Potential Savings

Central to OIG's mission is preventing occurrences and recurrences of fraud, waste, and abuse and safety and quality-of-care deficiencies to protect HHS programs and the beneficiaries they serve. OIG findings and recommendations provide policymakers and program officials with information for making key policy and program decisions.[28] OIG recommends program and management improvements, program integrity safeguards, solutions to improve quality and safety, and cost-saving changes to programs or policies. OIG makes concerted efforts to ensure that HHS implements those recommendations. For example, in FY 2018, OIG made more than 570 new recommendations stemming from audits and program evaluation reports. In FY 2018, over 400 audit recommendations and evaluation recommendations were implemented to improve the efficiency and effectiveness of both HCFAC and PHHS programs and operations. With respect to savings, for FY 2018, potential savings from legislative and administrative actions that were supported by HHS-OIG recommendations were estimated by third parties, such as the Congressional Budget Office or actuaries within HHS, to be

[25] These numbers are specifically related to HHS healthcare programs and exclude additional CMPs and assessments outside of HHS healthcare programs.

[26] HCFAC ROI is based on a 3-year rolling average. The FY 2018 annual HCFAC report is currently in development and will include the FY 2018 ROI.

[27] ROIs can vary over time for a variety of reasons, including, for example, the size of settlements in a given year and the type and complexity of fraud schemes under investigation.

[28] For further information about OIG's recommendations, please see *The Solutions to Reduce Fraud, Waste, and Abuse in HHS Programs: Top Unimplemented Recommendations* annual publication.

$25.6 billion.[29] Recently, by way of example, Congress implemented a top OIG recommendation for the establishment of a hospital transfer payment policy for early discharges to hospice care that was scored by CBO with savings of $4.89 billion over ten years.[30]

Data Analytics and Infrastructure Modernization

Given the size and complexity of HHS programs, it is crucial that staff can leverage technology, data, and data analytics to the maximum extent possible. OIG has deployed a suite of self-service analytic tools to provide "data at the fingertips" of OIG's investigators, evaluators, auditors, and attorneys, empowering them to directly and efficiently conduct analysis. These tools help us better support prosecutions of fraud cases. OIG leveraged modern infrastructure management by deploying a secure, agile-delivered, hybrid cloud platform for data display, management, and analysis. This enabled OIG to, for example, furnish an application to staff that provides interactive visual analytics that makes management data intuitive and actionable, enabling transparency and information sharing across HHS-OIG. OIG further leveraged this hybrid cloud infrastructure to deploy an enterprise-wide geospatial analytic tool. The underlying platform supporting these innovations will eventually support a broad range of analytics activities and tools, giving the OIG workforce the modern tools and data access it will need in the future. OIG has been leveraging its data and information technology experience by providing requested technical assistance to HHS and other Federal and State Government partners.

[29] Congressional Budget Office. *The Department of Health and Human Services and The Department of Justice Health Care Fraud and Abuse Control Program Annual Report for Fiscal Year 2017*. https://oig.hhs.gov/publications/docs/hcfac/FY2017-hcfac.pdf.

[30] *Estimated Direct Spending and Revenue Effects of Division E of Senate Amendment 1930, The Bipartisan Budget Act of 2018.* Title XIII—Offsets, Section 53109. February 8, 2018. Accessed at https://www.cbo.gov/system/files?file=115th-congress-2017-2018/costestimate/divisione.pdf on August 15, 2018

Overview

HHS-OIG's request for FY 2020 is $403.2 million, an additional $22.5 million above the FY 2019 Enacted Budget (post-sequester).

OIG provides objective, independent, and credible oversight to drive positive change for the Department of Health and Human Services' programs and the people they serve. OIG is at the forefront in preventing and detecting fraud and abuse in health and human services programs and, where necessary, enforcement to address violations of law. OIG delivers results and actionable information to program officials, policymakers, taxpayers, public-private partners, and HHS beneficiaries.

OIG's request continues to optimize resources to advance OIG's mission. This includes dedicated resources to continue OIG's PHHS oversight work at the FY 2019 enacted level and resources for additional personnel and operational needs, such as data analysis tools to oversee evolving, complex, and costly HCFAC programs (Medicare and Medicaid Oversight). OIG will continue to focus strategically on developing a modern workforce and providing support with tools to ensure 21st century oversight challenges are successfully addressed. These investments will further advance the President's Management Agenda, by fostering transformational change and paving the way for sustained improvement over time that is efficient, effective, and accountable. OIG's workforce will continue to be, well-trained, knowledge-rich, first in class, and strategically tailored to accomplish OIG's core mission; it will be supported by business-standard technology and data analytics capabilities needed to drive increased efficiency and effectiveness across OIG's multidisciplinary work.

OIG's oversight areas are divided into two main categories: (1) PHHS oversight and (2) Medicare and Medicaid oversight. The FY 2020 overall requests and program increases for these categories include:

PHHS Oversight:[31] $80.0 million and 349 FTE, a decrease of $6.5 million below the FY 2019 Enacted Budget.

The Department's PHHS programs represent nearly $100 billion in spending. OIG will help strengthen HHS's PHHS programs by leveraging data, modern technology, specialized expertise, and strategic partnerships to target high-risk areas and maximize the effectiveness and outcomes of these critical programs. As it has done successfully for Medicare, OIG will use advanced data analytics and multidisciplinary state-of-the-art investigative techniques to address program integrity in PHHS grant programs and contract services. OIG will use an enterprise-wide data strategy to more effectively detect fraud that touches multiple programs. Key oversight focus areas within the FY 2020 request include cybersecurity; programs addressing opioid addiction, substance abuse treatment, and serious mental illness; health and safety of children served by HHS programs; quality, safety, and integrity in IHS and programs serving American Indians and Alaska Natives; grants and contracts management; and emergency preparedness and response activities.

Medicare and Medicaid Oversight: $323.2 million and 1,321 FTE, an increase of $29.0 million above the FY 2019 Enacted Budget. This funding does not, at this time, include reductions from sequestration. The final sequestration reductions will be calculated by OMB at the beginning of calendar year 2019. As previously mentioned, OIG's HCFAC annual funding has historically been reduced by an average of $14 million.

[31] PHHS oversight includes programs authorized in Title I of the ACA and administered by CMS.

OIG will enhance and expand our HCFAC oversight activities to combat fraud, waste, and abuse in Medicare and Medicaid. OIG will continue its strategic program of investigations, audits, evaluations, inspections, and legal actions focused on preventing and detecting fraud and abuse and, where necessary, taking enforcement actions to hold wrongdoers accountable. Key oversight areas for Medicare and Medicaid will continue to include prescription drug abuse (including opioids), care in home and community settings, cybersecurity and health information technology (including telehealth), prescription drug programs, managed care and value-based programs, improper payments, combating fraud, and strengthening program integrity (including provider enrollment and other integrity measures). OIG will continue to develop and use advanced data analytics and tools to provide cutting-edge, data-informed oversight. With the requested funding, OIG will invest in oversight of Medicaid focused on using Medicaid data in transformative ways, empowering MFCUs, and audits of the Medicaid drug rebate program. OIG will also continue to foster strong, productive relationships with Federal and State Government partners and public-private partners and to promote compliance through education and outreach efforts.

OIG Performance

OIG Priority Outcomes

OIG's priority outcome areas demonstrate our focus on strategically targeting oversight, driving measurable results, and achieving overarching performance goals. The table below shows key performance indicators (KPIs) for each priority outcome area. These KPIs are OIG's metrics for measuring its impact in each of the four areas.

Priority Outcome Area	Key Outcomes	Most Recent Actual	FY 2019 Target	FY 2020 Target	FY 2020 +/- FY 2019
Protect beneficiaries from prescription drug abuse, including opioids	Reduction of Part D prescribers whom OIG identified as having questionable prescribing (401 prescribers in Calendar Year (CY) 2017 baseline)[1]	CY 2018: -30% prescribers Target: -30% (Target Met)	-20% from CY 2018	-15% prescribers from CY 2019	-15%
Promote patient safety and accuracy of payments in home and community settings	Reduction in Medicare spending on home health providers in geographic fraud hot spots from CY 2015 baseline of $6.68 billion	FY 2018: -11.7% expenditure Target: -11% (Target Exceeded)	-12.5% from CY 2015	-13% expenditure from CY 2015	-0.5%
Ensure health and safety of children served by HHS grants	Increase in the number of States and territories requiring Child Care and Development Fund (CCDF) providers to conduct all required criminal background checks at least once every 5 years (intrastate)	FY 2018: 35 states Target: 40 states (Target Not Met but Improved)	44 States	37 States	-7
	Increase in the number of States and territories requiring CCDF providers to conduct all required criminal background checks at least once every 5 years (interstate)	FY 2018: 2 states Target: 10 states (Target Not Met but Improved)	10 States	2 States	-8
Strengthen Medicaid protections against fraud and abuse	Improvement of Medicaid Fraud Control Unit indictment rates	FY 2018: 16.4% Indictment rate (Baseline)	17.0% Indictment rate	17.2% Indictment rate	+.2
	Improvement of Medicaid Fraud Control Unit conviction rates	FY 2018: 90.3% conviction (Baseline)	91% Conviction rate	91% Conviction rate	Maintain

[1] Baseline and targets are based on calendar year.

Priority Outcome: **Protect beneficiaries from prescription drug abuse, including opioids**
Background: Opioids serve a useful role in treating certain kinds of pain. However, opioids can also cause significant adverse effects, including addiction and fatal overdose. These risks and benefits vary from patient to patient and across situations. Recognizing this variability, OIG uses a risk-based approach to focus its resources to address the opioid epidemic. OIG's key performance indicator focuses on Medicare Part D prescribers with questionable prescribing to high-risk beneficiaries. Identifying prescribers with questionable prescribing is an important first step to identifying physicians whose prescribing may be inappropriate and would benefit from targeted oversight and educational resources.

The goal of such oversight and resources is to help OIG's Federal and State partners promote appropriate prescribing practices and reduce misuse of opioids. To advance our goal, OIG employs a multidisciplinary, data-driven approach and uses the full range of our authorities, including audits, evaluations, investigations, and exclusions. OIG leverages key partnerships across the Federal, State, and private sectors to prevent and detect inappropriate prescribing and hold bad actors accountable.

Discussion of Progress: OIG's efforts contributed to a one-year, 30-percent decrease in the number of Part D prescribers with questionable prescribing: from 401 such prescribers in CY 2016 to 282 in CY 2017 (most recent available data). OIG's efforts contributed both directly and indirectly to this decrease. OIG initiated criminal investigations of some of the 401 prescribers and shared information about some of the other prescribers with Federal law enforcement partners and with CMS. By 2017, the number of indictments relating to opioid fraud and abuse because of OIG investigations increased from 153 in 2016 to 194, with many previously open investigations still ongoing. OIG exclusions of opioids prescribers also significantly increased in that time frame.

OIG has also been positioning itself for success in reaching future goals to further decrease the number of Part D prescribers with questionable prescribing. OIG aims to continue reducing the number of such physicians by 20 percent from FY 2018 to FY 2019 and another 15 percent from FY 2019 to FY 2020. The continued effort to pursue such criminal investigations resulted in 99 criminal actions in FY 2018. OIG is supporting CMS efforts to educate high-opioid prescribers about best practices in prescribing these drugs. CMS used OIG's analytic methods to identify prescribers for intervention. With staff and resources, OIG is supporting the DOJ's Strike Force efforts. OIG is already staffing the 12 new DOJ Opioid Fraud and Abuse Detection Units and has redirected staff to support the recently established DOJ Appalachian Regional Strike Force.

Priority Outcome: **Promote patient safety and accuracy of payments in home and community settings**
Background: OIG is increasing its focus on services provided to beneficiaries in home and community settings, including beneficiaries' homes, group homes, and similar settings. Program integrity and patient safety in home- and community-based settings take on heightened urgency as consumers increasingly seek and prefer services provided in home and community settings and as technology expands the range of services that can be provided safely in a home setting.

OIG has identified serious health and human services program vulnerabilities in both the fiscal integrity of payments made for services delivered and the quality of care received in home and community settings. For example, OIG's home health investigations resulted in more than 450 criminal and civil actions and yielded $1.3 billion in expected receivables for FYs 2013–2017. Medicare Parts A and B spending was approximately $18 billion for home health services in 2016.[33] As more patients seek and

[33] CMS, *CMS Fast Facts Overview*. Accessed at https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/CMS-Fast-Facts/index.html on January 2, 2019.

receive a growing volume and range of services at home, the risks of fraud and abuse will likely become more pronounced.

Discussion of Progress: Using data analytics, OIG identified four geographic "hot spot" areas—Florida, Texas, and select areas in Southern California and the Midwest—that have large numbers of home health providers with characteristics that OIG determined, based on previous work, are commonly associated with suspicious activity. OIG seeks to reduce fraud, waste, and abuse and enhance program integrity in home and community settings through outreach, education, audits, evaluations, inspections, investigations, and administrative enforcement. Specifically, OIG has focused on reducing inappropriate Medicare spending to home health providers in identified geographic hot spots. OIG efforts contributed to an almost 12 percent decrease in home health payments in the four geographic hot spots from 2015 through 2018. Nationally, the decrease in home health spending over this same time was four percent. On the basis of an analysis of recent results, OIG plans to focus additional efforts in the geographic area that did not see as great a decline in home health expenditures as the remaining three geographically targeted areas.

Priority Outcome: **Ensure health and safety for children served by HHS grants**
Background: HHS uses PHHS grant funds to provide a broad array of services for children, including Head Start, care for unaccompanied alien children, and childcare programs. In particular, the Child Care and Development Block Grant Act (CCDBG Act) of 2014 added new requirements for States receiving funds from the CCDF to conduct comprehensive criminal background checks on staff members and prospective staff members of childcare providers every 5 years (P.L. No. 113-186 § 658H (Nov. 19, 2014)). On the basis of prior work and identification of background checks as an important safeguard for children, OIG undertook an examination of States' implementation and providers' compliance with these background check requirements.

To measure progress, OIG is tracking the number of States that have implemented each of the several required criminal background checks, including interstate and intrastate requirements.

Discussion of Progress: OIG had estimated that a majority of states (40) would have implemented the background check requirements within 4 years of the bill passing, but determined after further investigation that implementing the background check requirements was more difficult than anticipated. OIG is coordinating closely the Administration for Children and Families (ACF) to address this challenge and meets regularly with ACF officials to enhance working relationships, exchange information, and gain insight into their analysis of the information provided by States regarding their interpretation of the requirements and progress on implementing background checks. During this fiscal year, OIG will continue to reassess any updated CCDF State plan information related to background checks and conduct outreach with ACF and the States regarding implementation of background check requirements. Additionally, OIG has plans to expand its priority outcome work and measurement to other child care programs to ensure the health and safety for children served by HHS grants.

***Priority Outcome*: Strengthen Medicaid protections against fraud and abuse**
Medicaid serves more enrollees than any other Federal healthcare program and represents one-sixth of the national healthcare economy. OIG conducts reviews across a range of Medicaid topic areas. Current focus areas include the reliability of national Medicaid data, improper payments, Medicaid managed care organizations, health and safety for Medicaid beneficiaries, and Medicaid fraud. In particular, OIG, which administers the grant program that funds MFCUs and partners with MFCUs in law enforcement actions, has a priority focus to maximize the effectiveness of MFCUs, thereby empowering States to better serve their populations.

Discussion of Progress: OIG strategies to drive MCFU effectiveness include enhancing OIG oversight with increased use of data, expanding the MFCU program to better align with a growing and evolving

Medicaid program, enhancing MFCU training, and increasing collaboration between MFCUs and OIG. Specific activities to further these strategies include: (1) approval of three additional MFCUs to operate data-mining programs, for a total of 16 MFCUs; (2) certifying new MFCUs in Puerto Rico and the U.S. Virgin Islands; (3) issuing guidance on (a) the use of statistical sampling in MFCU cases and (b) MFCU jurisdiction for opioid and other drug diversion cases; and (4) coordinating participation by 30 MFCUs in a July 2018 healthcare fraud takedown, resulting in criminal charges against 97 defendants.

OIG receives extensive performance data from each of the MFCUs and monitors outcomes on a national basis by: (1) an indictment rate, comparing criminal indictments and civil filings to the total number of cases under investigation; and (2) a conviction rate, comparing convictions with the total number of prosecuted cases. OIG is currently awaiting data on results for FY 2018.

OIG-wide Performance Table

Key Outcome[34]	Most Recent FY 2018 Actuals	FY 2019 Target	FY 2020 Target	FY 2020 +/- FY 2019
Expected recoveries resulting from OIG involvement in healthcare fraud and abuse oversight activities (dollars in millions)	$3,330 (Within Target Range)[29]	$3,500	$3,600	+$100
ROI resulting from OIG involvement in healthcare fraud and abuse oversight activities	$13:$1 (Within Target Range)[29]	$14:$1	$14:$1	+$--
Number of quality and management improvement recommendations accepted	146 (Within Target Range)[29]	123	125	+2
PL funding (dollars in millions)	**$368.7**	**$380.7**	**$403.2**	**+$22.5**
Key Outputs	**Most Recent FY 2017 Actuals**	**FY 2019 Target**	**FY 2020 Target**	**FY 2020 +/- FY 2019**
Audits:				
Audit reports started	210 (Within Target Range)[29]	180	195	+15
Audit reports issued	163 (Target Met)	160	165	+5
Audit reports issued within 1 year of start **(percentage)**	35% (Within Target Range)[29]	39%	39%	--%
Evaluations:				
Evaluation reports started	50 (Target Met)	38	43	+5
Evaluation reports issued	45 (Target Met)	46	47	+1
Evaluation reports issued within 1 year of start (**percentage)**	55% (Target Met)	56%	56%	--%
Investigations:				
Complaints received for investigation	3,132 (Target Met) (Tracking Metric)	2,828	3,017	+189
Investigative cases opened	2,037 (Target Met)	1,802	1,923	+121
Investigative cases closed	1,949 (Target Met)	1,860	1,985	+125
PL funding (dollars in millions)	**$368.7**	**$380.7**	**$403.2**	**+$22.5**

[34] The "expected recoveries" and ROI performance measures are calculated using 3-year rolling averages. Performance was within 10 percent of projected target.

Performance Goals

In addition to the Priority Outcomes and KPIs, OIG uses three measures to describe OIG's progress in fighting fraud, waste, and abuse and promoting economy, efficiency, and effectiveness in HHS programs and operations:

- three-year rolling average of expected recoveries from OIG's HHS oversight activities that resulted in investigative receivables and audit disallowances,
- three-year rolling average of the expected ROI from OIG's HHS oversight activities that resulted in investigative receivables and audit disallowances, and
- number of accepted quality and management improvement recommendations.

The measures on OIG-wide Performance Table generally reflect the culmination of investigation, audit, and evaluation efforts initiated in prior years. Moreover, these measures are expressions of OIG's joint success and joint efforts with a network of program integrity partners at all levels of Government and in partnership with private-sector integrity entities, where permitted. OIG audits and evaluations generate findings and recommendations intended to save money, improve the efficiency and economy of programs, or increase protections for the health and well-being of program beneficiaries. OIG informs Congress and HHS officials of its recommended potential cost disallowances and corrective actions. OIG follows up by engaging proactively with HHS officials and other policymakers to promote prompt and effective implementation of recommendations, an approach that has successfully reduced the volume of unimplemented recommendations and strengthened HHS program integrity.

As shown in the table on the previous page, even as OIG invests in data-driven decisionmaking and outcomes-based performance, it continues to report on the audit, evaluation, and investigative outputs that contribute to OIG's success and performance impact. An increase in resources in one fiscal year may not yield results in the same fiscal year, as many actions are multiyear efforts. Further, the volume of OIG outputs varies over time and reflects a range of strategic decisions and environmental factors. These include, for example, resources and capacity to undertake new work; the complexity and scope of cases and reviews; the quality, quantity, and availability of relevant data; and emergent issues (e.g., public health and human services emergencies) that necessitate shifting resources. In some instances, OIG strategically reduces the number of planned products to create capacity for larger scale, higher value priority products and for critical infrastructure investments. OIG has shifted audit resources from traditional audits to forensic auditing to help criminal investigators and prosecutors follow the money in complex financial fraud cases.

Nonrecurring Expense Fund

(Dollars in thousands)

	FY 2018[35]	FY 2019	FY 2020[36]
Notification[37]	n/a	$11,315	-

Authorizing Legislation:
Authorization…….Section 223 of Division G of the Consolidated Appropriations Act, 2008
Allocation Method……..……..Direct Federal, Competitive Contract

Program Description and Accomplishments
The Nonrecurring Expenses Fund (NEF) permits HHS to transfer unobligated balances of expired discretionary funds from FY 2008 and subsequent years into the NEF account. Congress authorized use of the funds for capital acquisitions necessary for the operation of the Department, specifically information technology (IT) and facilities infrastructure acquisitions.

OIG's NEF funding includes $11.3 million to support the next phase of OIG's modernization of its technology platform. The plan to modernize the platform includes the following pieces:

1. an integrated data platform,
2. a high-performance computing platform,
3. a mission and business support platform, and
4. a public engagement platform.

All four leverage or expand on OIG's existing hybrid cloud infrastructure.

The goal of this investment in IT modernization is to provide OIG's auditors, evaluators, investigators, data analysts, and attorneys with modern technology capabilities needed to target their work and execute OIG's mission. OIG seeks to provide staff with the ability to more quickly view internal operational data, better engage with external stakeholders (e.g., the public and Federal, State, and local partners), leverage data lakes to store and integrate information collected during OIG oversight work, provide predictive analytics, and machine learning. Ultimately, investments in modernization help empower the 1,600 employees of OIG nation-wide to use data and data tools proactively to fight fraud, waste, and abuse and improve program efficiency, effectiveness, and economy.

New mission capabilities are being built on modern technology platforms that require fewer people to support them because of automation of common maintenance functions. OIG's modernization plan will also permit OIG to continue to advance data analytics capacities to prevent and detect fraud, waste, and abuse across all oversight areas.

The OIG legacy modernization effort will focus on creating four areas of enterprise capabilities:

[35] There was no Congressional notification for the planned uses of NEF funds in FY 2018.

[36] This represents the total amount to be notified as a planned use of funds in a FY 2020 notification letter.

[37] Pursuant to Section 223 of Division G of the Consolidated Appropriation Act, 2008, notification is required of planned use.

1. Transition legacy mission-support systems onto commercial/commodity cloud platforms and leverage shared services to reduce future capital investment requirements, as well as increasing savings through cost avoidance.

2. Develop a consolidated enterprise technology platform using proven solutions to manage and provide data and analyses across the organization. This will enable access to underutilized data using modern, open source analytic technologies and provide a technology environment that reduces operations and maintenance (O&M) cost over its project lifespan by using standardized tools, platforms, and common languages.

3. Provide enhanced tools for our mobile, national workforce to work and collaborate, wherever the work takes them, to protect HHS programs and beneficiaries.

4. Increase the confidentiality, integrity, and availability of sensitive data by enhancing the OIG Integrated Data Platform (IDP) to eliminate unmanaged and redundant data storage nation-wide.

OIG currently spends considerable time requesting and providing data extracts for our auditors, evaluators, investigators, and attorneys. For example, extracting Medicaid claims data spanned seven days in one regional office, which significantly delayed investigative efforts. The OIG modernization effort, and the IDP, is designed to reduce the time to extract data from existing sources (e.g., National Claims History files for Medicare) as well as new ones (e.g., Medicaid T-MSIS data being consolidated from the States) by utilizing hybrid technologies and addressing efficiencies through proper resource scaling and allocation. While the new platform expedites critical data transfers, it also improves the efficiency and effectiveness of OIG business by improving data integrity for OIG staff, enabling a reliable audit trail and ensuring the immutability of derived work. Reliable and secure data access is essential to investigations, audits, evaluations, and enforcement actions. Investigators, auditors, evaluators, and attorneys depend on quality, timely data when building a case for prosecution and conducting audits and evaluations to make sound recommendations.

These efforts will build on OIG's prior modernization efforts. OIG has already successfully consolidated OIG data centers services to meet or exceed the Office of Management and Budget (OMB) Data Center Optimization Initiative (DCOI) requirements using advanced commercial data centers services. OIG has also worked to adopt cloud-based solutions, use open source software, adopt the U.S. Digital Services playbook, and use modular contracting and agile software development.

Effective program integrity requires detection of problems as early as possible and implementation of effective safeguards and sound management principles. Over the past several years, OIG has significantly developed its advanced data analytics capabilities to address fraud, waste, and abuse in Medicare and Medicaid. These improvements demonstrate OIG's commitment and success in utilizing data to achieve its mission. However, more work is needed to modernize the infrastructure to continue to advance fraud modeling in the Medicare, Medicaid, and grants and contracts areas.

SUBSECTION: OVERSIGHT OF PHHS AND DEPARTMENT-WIDE ISSUES

(Dollars in thousands)

	FY 2018 Final[38]	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
PHHS BA[39]	$80,000	$80,000	$80,000	$-
FDA Transfer	1,500	1,500	-	-1,500
NIH Transfer	-	5,000	-	-5,000
Total BA	**$81,500**	**$86,500**	**$80,000**	**-$6,500**
FTE[40]	**344**	**349**	**349**	**-**

Program Description

OIG uses funding from its annual direct discretionary appropriation to conduct program integrity and enforcement activities for PHHS programs and operations, including public health, safety, and scientific research programs, IHS, childcare, other human services grants programs, community health centers, substance abuse and serious mental illness programs, and the health insurance exchanges. OIG also uses funding for crosscutting issues such as cybersecurity. These programs represent approximately $100 billion in spending each year. During FY 2018, OIG's oversight effort for PHHS was allocated across HHS OPDIVs and STAFFDIVs as follows:

HHS OPDIV and STAFFDIV Oversight	Resource Allocation
Administration for Children and Families (ACF)	31%
Administration for Community Living (ACL)	<1%
Agency for Health Care Research and Quality (AHRQ)	<1%
Centers for Disease Control and Prevention (CDC)	4%
CMS—Exchanges/Title I Programs	2%
Food and Drug Administration (FDA)	5%
Health Resources and Services Administration (HRSA)	3%
Indian Health Service (IHS)	8%
National Institutes of Health (NIH)	7%
Substance Abuse and Mental Health Services Administration (SAMHSA)	3%
Office of the Secretary (OS)[41]	14%
Other PHHS Programs[42]	22%
Total	**100%**

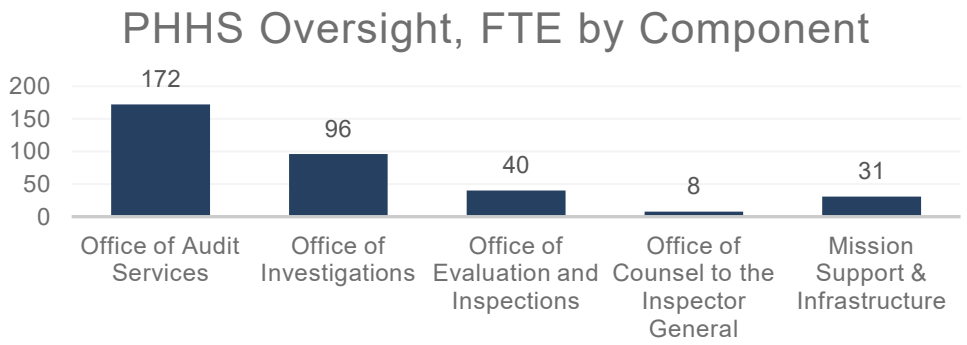
[38] Reflects FY 2018 required and permissive transfers. Funding level does not include supplemental hurricane appropriations of $2 million.

[39] PHHS oversight includes oversight of programs authorized in Title I of the ACA and administered by CCIIO, a component of CMS.

[40] The PHHS discretionary FTE includes eight reimbursable FTE.

[41] OS includes oversight efforts related to OS STAFFDIVs, such as the Assistant Secretary for Preparedness and Response and protective services for the Secretary, and the Chief Financial Officer Audit.

[42] The other discretionary work stretched across multiple HHS agencies relating to research and development for discretionary programs, oversight of opioids, grantee compliance with cost principles for organizations with multiple HHS discretionary funding sources, department-wide data analytics, and OI assist work.



Five-Year Funding History

The funding history in the table below includes the budget authority appropriated to OIG for PHHS oversight. The funds displayed are provided to OIG through an annual discretionary direct appropriation included in the Labor, Health and Human Services, Education and Related Agencies appropriations bill.

PHHS Funding History

FY 2016[43]	$76,500,000
FY 2017[39]	$81,500,000
FY 2018[39, 44]	$81,500,000
FY 2019 Enacted[45]	$86,500,000
FY 2020 President's Budget	$80,000,000

Budget Request

OIG is requesting funding for initiatives that will strategically and efficiently use data analytics, leading expertise, advanced tools and technology, actionable recommendations, and education and outreach to help protect PHHS programs and the people they serve and ensure that they achieve their intended outcomes. OIG will identify oversight targets and objectives using a data-driven, risk-assessment approach. OIG's priority oversight areas for FY 2020 will include programs that serve children, offer treatment for substance abuse and serious mental illness, and strengthen cybersecurity, among others. OIG will take enforcement actions (to include growing its grants and contracts CMP program) and make recommendations that promote program integrity, transparency, and accountability. OIG's work will emphasize efficiency and be mindful of reducing unnecessary burdens on HHS operating divisions, providers, grantees, and consumers.

[43] OIG's Discretionary BA includes $1.5 million transferred from the FDA in FYs 2016–2019.

[44] FY 2018 funding excludes $2 million transferred from the Public Health Service Emergency funding for oversight of Hurricane Supplemental funding.

[45] FY 2019 funding includes $5 million transferred from NIH in FY 2019.

Performance Information for Public Health and Human Services Oversight

Key Outputs	Most Recent FY 2018 Actuals	FY 2019 Target	FY 2020 Target	FY 2020 +/- FY 2019
Audits:				
Audit Reports Started	69	35	45	**+10**
Audit Reports Issued	63	53	55	**+2**
Evaluations:				
Evaluation Reports Started	10	8	8	**--**
Evaluation Reports Issued	10	9	9	**--**
Investigations:				
Complaints Received for Investigation	486	547	656	**+109**
Investigative Cases Opened	297	349	419	**+70**
Investigative Cases Closed	326	359	431	**+72**
PL funding (Dollars In millions)	**$81.5**	**$86.5**	**$80.0**	**-$6.5**

FY 2018 PHHS Major Outputs by OIG Component
Audits, Evaluations, Cases, and Monetary Impact by OPDIV

Office of Audit Services
(Dollars in thousands)

Category	Audit Started	Audit Issued	Rec's Issued	Rec's Concur Implemented	Questioned Cost[46]	Funds Put to Better Use[47]
ACF	18	24	97	9	$21,384,797	-
ACL	2	-	-	-	-	-
AHRQ	-	-	-	-	-	-
CDC	9	5	23	2	$444,192	-
CMS–Exchanges	1	4	-	-	$962,270,624	-
FDA	2	3	25	-	-	-
HRSA	3	5	11	7	$8,649,289	-
IHS	2	6	23	-	-	-
NIH	5	3	11	2	-	-
SAMHSA	2	2	8	-	-	-
OS	-	-	-	-	-	-
PHHS Other[48]	25	11	22	-	$341,616	-
Total	**69**	**63**	**220**	**20**	**$993,090,528**	**-**

[46] Questioned Cost reflects disallowed cost and/or potential recoveries for which management concurred with the audit recommendation.

[47] Funds Put to Better Use reflects potential savings on those audit recommendations that achieve identifiable monetary savings.

[48] PHHS-related matters that span multiple OPDIVs.

Office of Evaluation and Inspections

Category	Evaluation Started	Evaluations Issued	Rec's Issued	Rec's Concur Implemented	Rec's Implemented
ACF	2	1	2	-	1
ACL	-	-	-	-	-
AHRQ	-	-	-	-	1
CDC	-	2	4	-	-
CMS–Exchanges	1	1	-	-	-
FDA	-	2	4	-	-
HRSA	-	1	2	-	2
IHS	1	-	-	-	-
NIH	-	-	-	-	-
SAMHSA	2	1	-	-	-
OS	-	-	-	-	-
PHHS Other[41]	4	2	-	-	-
Total	**10**	**10**	**12**	**-**	**4**

Office of Investigations

(Dollars in thousands)

Category	Cases Opened	Cases Closed	Criminal Actions	Civil Actions	Complaints Received	Monetary Results
ACF	93	144	50	2	156	$15,036,172
ACL	3	1	-	1	6	$79,199
AHRQ	-	-	-	-	-	-
CDC	7	5	2	-	6	$513,781
CMS–Exchanges	-	-	-	-	-	-
FDA	23	17	3	-	29	$121,000
HRSA	3	5	-	-	6	-
IHS	49	32	9	-	79	$465,682
NIH	-	-	-	-	-	-
SAMHSA	-	-	-	-	-	-
OS	-	-	-	-	-	-
PHHS Other[49]	119	122	21	11	204	$26,025,290
Total	**297**	**326**	**85**	**14**	**486**	**$42,241,124**

[49] PHHS-related matters that span multiple OPDIVs.

SUBSECTION: MEDICARE AND MEDICAID OVERSIGHT

(Dollars in thousands)

	FY 2018 Enacted	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
HCFAC Mandatory BA	$190,389	$195,755	$213,248	+$17,493
HCFAC Discretionary BA	84,398	87,230	98,000	+10,770
HCFAC Estimated Collections[50]	12,372	11,256	12,000	+744
Total PL[51]	**$287,159**	**$294,241**	**$323,248**	**+$29,007**
FTE	1,257	1,301	1,321	+20

Program Description

Medicare and Medicaid are high-risk programs administered by CMS that require sustained focus on effective administration. They are the Nation's largest health insurance programs, serving approximately one in four Americans and in 2017 accounting for more than $1.2 trillion in spending. [52] In its *FY 2017 Agency Financial Report*, HHS reported an estimate of almost $89.9 million in Medicare and Medicaid improper payments.[53]

OIG is a leader in the fight against Medicare and Medicaid fraud and uses sophisticated data analytics and multidisciplinary, state-of-the-art investigative techniques to detect crime and investigate fraud. Through its multidisciplinary oversight work, OIG saves taxpayer dollars and works to ensure that patients receive safe, medically appropriate care. OIG relies on principles of prevention, detection, and enforcement to address fraud, waste, and abuse in these programs. OIG's work promotes sound fiscal management of the programs, patient safety and quality of care (including prevention of patient abuse and neglect), and beneficiary access to high-quality care furnished in an appropriate setting and in accordance with program requirements. In FY 2018, OIG shifted substantial resources toward combating opioid and other prescription drug abuse (for example, through reviews of substance abuse treatment programs) and will continue this important effort in FYs 2019 and 2020.

OIG protects Medicare and Medicaid through important partnerships with DOJ and State MFCUs, among others, including the Healthcare Fraud Prevention Partnership. Currently, 49 States, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands have MFCUs. OIG provides oversight of the MFCU program and administers a Federal grant award to each Unit. As part of its oversight, OIG

[50] In FY 2017, OIG collected $13.2 million under authority of 42 U.S.C. 1320a-7c (§1128C of the Social Security Act), and the actual amount sequestered is $870,557. The table includes estimates for HCFAC collections for FYs 2019 and 2020, and the amounts available will depend on the amounts collected.

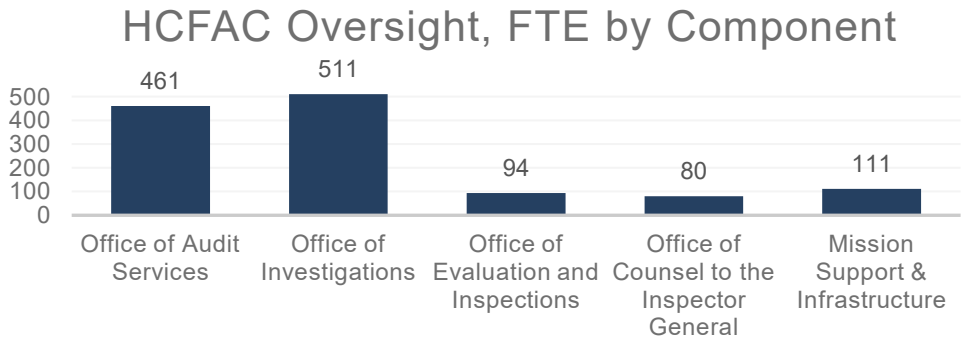
[51] OIG's HCFAC funding is drawn from the Medicare Hospital Insurance Trust Fund (sec. 1817(k)(3) of the Social Security Act) and is requested and provided through the CMS budget.

[52] The Centers for Medicare and Medicaid. *NHE Fact Sheet*. Accessed at https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html on January 2, 2019.

[53] The Department of Health and Human Services. *FY 2017 Agency Financial Report*. Accessed at https://www.hhs.gov/sites/default/files/fy-2017-hhs-agency-financial-report.pdf on January 2, 2019.

reviews and recertifies each Unit annually and conducts periodic onsite reviews. Finally, OIG collects and disseminates performance data and provides training and technical assistance to the Units.

HIPAA established HCFAC under the direction of the Attorney General and the Secretary of Health and Human Services acting through OIG to combat fraud, waste, and abuse in Medicare- or Medicaid-funded healthcare. The funds appropriated to OIG under HCFAC are dedicated exclusively to activities relating to Medicare and Medicaid. HCFAC funding constitutes the major portion of OIG's annual operating budget.



During FY 2018, OIG's Medicare and Medicaid oversight funding was allocated as follows:

Medicare and Medicaid Oversight	%
Medicare	71%
Medicaid	29%

Five-Year Funding History

The funding history in the table below includes the budget authority given to OIG for Medicare and Medicaid oversight. The funds displayed are provided to OIG through a number of sources, including HCFAC Mandatory, HCFAC Discretionary Allocation Adjustment, and HCFAC Collections.

HCFAC Funding History

FY 2016	$266,001,000
FY 2017	$277,702,000
FY 2018	$287,159,000
FY 2019 Enacted	$294,241,000
FY 2020 President's Budget	$323,247,960

Budget Request

OIG's FY 2020 request for Medicare and Medicaid oversight is $323.2 million, which is an increase of $29 million above the FY 2019 Enacted budget (post-sequester).

NOTE: The FY 2020 request does not assume sequestration, which historically has reduced OIG's HCFAC funding by an average of $14 million. Sequestration reductions will be determined after the release of the FY 2020 President's Budget. The requested increases in the oversight areas described below reflect OIG's anticipated HCFAC increases of $15 million after projected sequestration reductions to OIG's HCFAC mandatory funding.

This budget request includes:

- $213.2 million in HCFAC mandatory funding, an increase of $17.5 million above the FY 2019 Enacted Budget (post-sequester);

- $98.0 million in HCFAC discretionary funding, an increase of $10.8 million above the FY 2019 Enacted Budget (post-sequester). Of this funding, $54.2 million is not subject to discretionary budget caps, consistent with § 251(b)(2)(C) of the Balanced Budget and Emergency Deficit Control Act of 1985; and

- $12.0 million in HCFAC collections, an increase of $0.7 million above the FY 2019 Enacted Budget (post-sequester). Within a limited context, this funding reimburses OIG for its costs of conducting investigations, audits, and compliance monitoring. This amount is an estimate, and the amounts available will depend on the final amount collected.

OIG will continue to be a leader in combating fraud, waste, and abuse in Medicare and Medicaid through a strategic program of investigations, audits, evaluations, inspections, and legal actions. Key oversight areas will continue to include prescription drug abuse (including opioids), home- and community-based services, cybersecurity and health information technology (including telehealth), prescription drug programs, managed care and value-based programs, improper payments, combating fraud, and strengthening program integrity (including provider enrollment and other integrity measures). OIG will use advanced data analytics and tools, combined with subject matter expertise in emerging areas such as clinical science, data science, and artificial intelligence, to provide cutting-edge, data-informed oversight and, where necessary, take enforcement action to hold wrongdoers accountable. Consistent with efforts to promote efficiency and economy in HHS programs, OIG plans to identify potential opportunities and best practices for reducing unnecessary paperwork and streamlining program requirements. Simultaneously, OIG will ensure that required documentation is meaningful, actionable, and sufficient to support the delivery of high quality, patient-centered care and payment integrity. OIG will also continue to foster strong, productive relationships with Federal and State Government partners and public-private partners and will promote compliance through education and outreach efforts.

Medicare and Medicaid Estimated Funding by Initiative[54]
(Dollars in thousands)

	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Request	FY 2020 +/- FY 2019[55]
Care in Home- and Community-based Settings	$23,136	$26,136	$36,136	+$10.000
Medicaid Program Integrity	85,166	93,580	98,580	+5,000
Total	**$108,302**	**$119,716**	**+$134,716**	**+$15,000**

[54] The amounts in this table are estimates based on average costs of reports and investigations as well as time spent by OIG employees on related work, where that information is available.

[55] The full FY 2020 HCFAC request does not currently estimate the impact of sequestration, which for OIG has historically been approximately $14 million. The increases in the oversight areas in this table reflect the full anticipated increase after the anticipated FY 2020 sequestration to OIG's HCFAC mandatory and collections.

Care in Home- and Community-based settings (+$10.0 million and +15 FTE the above FY 2019 Enacted Budget)

Description of Proposed Change: OIG estimates that with FY 2020 sequestration cuts to its HCFAC mandatory funding and collections, approximately $10 million in additional HCFAC funding will be available in FY 2020.

The request will provide $1.5 million to support the development of new data models and tools to support data-driven audits, evaluations, and investigations. These models and tools will help OIG detect and target new and emerging fraud schemes, trends, and migration of known fraud schemes. Further, $4 million will provide necessary resources to conduct reviews expected to result in new recommendations for targeted program safeguards and improvements to prevent fraud, waste, and abuse and patient neglect; create efficiencies; and promote patient-centered outcomes while eliminating unnecessary burden on legitimate providers. With new resources, OIG would also focus oversight on new technologies, including telehealth and digital technologies that are increasingly being used by Medicare and Medicaid beneficiaries in their homes.

The initiative would provide $4.5 million to add "boots on the ground" to take enforcement actions against fraud perpetrators, including building OIG's capacity to respond to referrals generated by its own analyses. This would allow OIG to open more criminal, civil, and administrative investigations, as warranted, conduct more audits, and increase monitoring of suspicious billers. For example, OIG might target additional geographic hotspots to conduct site visits of high-risk home health agencies. Importantly, these efforts will not only help consumers, but will also help honest providers compete on a level playing field that is not distorted by the schemes of dishonest ones.

***Justification for Proposed Change*:** Program integrity and patient safety in home- and community-based settings takes on heightened urgency as consumers increasingly seek and prefer services provided in their own homes and similar settings. Moreover, technology is enabling more care to be provided in such settings and coordinated care and value-based models often favor care provided at home rather than in the hospital. OIG has identified serious health and human services program vulnerabilities in both the fiscal integrity of payments made for services delivered and the quality of care received in home and community settings. For example, OIG home health investigations resulted in more than 450 criminal and civil actions and yielded $1.3 billion in expected receivables for FYs 2013 – 2017. Medicare Parts A and B spending was approximately $18 billion for home health services in 2016.[56] As more patients seek and receive a growing volume and range of services at home, the risks of fraud and abuse will likely increase.

In recent work, OIG analysts identified more than 500 home health agencies and over 4,500 physicians with multiple characteristics commonly associated with home health fraud. Using data analytics, OIG focused on four geographic areas—Florida, Texas, and select areas in Southern California and the Midwest—that have large numbers of home health providers with characteristics that OIG determined to be suspect. OIG seeks to both reduce fraud, waste, and abuse and enhance program integrity in home and community settings through outreach, education, audits, evaluations, inspections, investigations, and administrative enforcement that reduce Medicare spending to home health providers in geographic "hot spots." OIG efforts have already contributed to an almost 12 percent decrease in home health payments in four geographic hot spots from 2015 through 2018. For comparison, the decrease in home health spending nationally over this same time was 4 percent. Common schemes include billing for services that are not needed or not provided or paying kickbacks to recruiters, providers who order or certify the services, and patients.

[56] CMS, *CMS Fast Facts Overview.* Accessed at www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/CMS-Fast-Facts/index.html on January 2, 2019.

Further, OIG has uncovered risks for, and instances of, serious patient harm in these settings, warranting additional oversight. For example, OIG audits at Medicaid group homes have revealed nation-wide weaknesses in the systems used to safeguard people with developmental disabilities from abuse, neglect, and other harm; OIG has investigated cases in which beneficiaries have been neglected, victimized, or harmed by their personal care service providers. Hospice care provides comfort for terminally ill beneficiaries and support for family and other caregivers; however, OIG has found that hospices frequently fail to meet Medicare requirements for patient care, patient information, billing, certification, and licensure. Disturbingly, OIG has also investigated cases of hospice providers enrolling beneficiaries in hospice care without their consent.

In addition to fraud and risks of patient harm and neglect, improper payments for these services take a financial toll. CMS estimated that in FY 2017, Medicare made more than $10 billion in improper payments to home health agencies. Through compliance audits of home health agencies, OIG has uncovered improper payments across a number of risk areas, such as medical necessity and homebound determinations. The Medicaid fee-for-service error rates and estimated improper payments listed below highlight the need for additional oversight resources in this growing area:

- Personal Support Services:16.2 percent improper payment rate or $3.21 billion in estimated improper payments[57]
- Home Health:11.7 percent improper payment rate or $808 million in estimated improper payments[56]
- Immediate Care Facilities (ICF) for individuals with intellectual disabilities and ICF/Group Homes: 42.2 percent improper payment rate or $4.42 billion in estimated improper payments[56]

This initiative supports the President's Management Agenda key driver of transformation by increasing data, accountability, and transparency.

Medicaid Program Integrity (+$5.0 million and 5 FTE above the FY 2019 Enacted Budget)
***Description of Proposed Change*:** The FY 2020 request includes $5 million to enhance Medicaid program integrity. Additional resources will focus on creating internal capacity to use Medicaid data to transform the way OIG oversees Medicaid, enhancing MFCUs' effectiveness and efficiency, and auditing the Medicaid drug rebate program. This initiative supports the President's Management Agenda key drivers of transformation by increasing data, accountability, and transparency and bringing down the high cost of prescription drugs.

OIG will use $2.5 million to leverage the most up-to-date Medicaid data, particularly as states progress in their ability to submit more complete Transformed Medicaid Statistical Information System (T-MSIS) data. With complete, timely, accurate, and actionable Medicaid data, OIG's ability to oversee Medicaid and help the Department ensure sound investment of taxpayer dollars in this program will be transformed. OIG will use the requested funding to deploy the types of sophisticated analysis and tools currently used in Medicare to detect questionable billing patterns and potential fraud.

OIG will use $2 million to boost its efforts to strengthen MFCU effectiveness. This funding will support the implementation of a five-part strategy to ensure MFCUs are performing at maximum effectiveness and efficiency, with a goal of increasing their capacity to investigate complex Medicaid fraud cases, including opioids-related cases, and have them successfully prosecuted. OIG will deploy to the MFCUs a variety of sophisticated analytical and investigative tools to combat fraud, including predictive data

[57] The Centers for Medicare and Medicaid Services. *2017 Medicaid & CHIP Supplemental Improper Payment Data.* Accessed at www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicaid-and-CHIP-Compliance/PERM/Downloads/2017MedicaidandCHIPSupplementalImproperPaymentData.pdf on January 2, 2019.

modeling. OIG's strategy for assisting States includes: increasing training and technical assistance, increasing collaboration on cases, increasing the use and sharing of data, supporting efforts to ensure MFCUs are properly resourced, and enhancing OIG oversight.

Further, OIG will use $500,000 to conduct audits of drug manufacturers' compliance under §1927 of the Social Security Act and the Medicaid National Drug Rebate Program (MDRP).

***Justification for Proposed Change*:** The Medicaid fee-for-service improper payment rate was 10.1 percent in FY 2017.[58] MFCUs, based locally in their States, are critical to addressing fraud and patient abuse and neglect in Medicaid. OIG has a history of successful partnerships with MFCUs, including last year's national healthcare fraud takedown in which 31 MFCU offices participated.

OIG needs complete, timely, accurate, and actionable Medicaid data to oversee Medicaid effectively and help the Department ensure sound investment of taxpayer dollars in this program. With this data, and the infrastructure to support it, OIG can transform and modernize its Medicaid oversight to more immediately address fraud, waste, and abuse. With this investment, OIG will be able to leverage its experience and replicate its success in using data analytics for Medicare oversight. By FY 2020, OIG aims to develop data analytic tools using new and improved Medicaid data. Additional resources and information technology infrastructure will be required to analyze efficiently and effectively a national T-MSIS data set.

Additional resources will enable OIG to expand the use of forensic auditing in Medicaid and other healthcare fraud cases. Forensic accounting has become an essential tool for investigations and prosecutions. Even though OIG's healthcare fraud investigations vary in size and complexity, a common theme is that they require an analysis of financial accounts and transactions. Those committing the fraud often attempt to conceal their involvement in criminal activity by using straw owners, shell companies, and false-front providers. By following the trail of money and assets, OIG can uncover complex criminal organizations and identify the people and businesses involved. This gives prosecutors a complete financial picture. This type of data analysis has been instrumental in successful fraud investigations and the recovery of money and assets acquired by criminal means.

Such reviews would help provide greater enforcement, resulting in greater manufacturer compliance with MDRP requirements and could be used in connection with the imposition of CMPs where clear noncompliance is uncovered. In December 2017, OIG published a report describing the potential impact of misclassifications reported by drug manufacturers on the MDRP. Additionally, as the MDRP continues to grow, some manufacturers are not reporting in accordance with the statute, regulations, guidance, and the rebate agreement. OIG would conduct additional audits to identify situations in which manufacturers are not reporting appropriately.

[58] CMS, *Medicaid & CHIP Supplemental Improper Payment Data, 2017.* Accessed at https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicaid-and-CHIP-Compliance/PERM/Downloads/2017MedicaidandCHIPSupplementalImproperPaymentData.pdf on January 2, 2019.

Performance Information for Medicare and Medicaid Oversight

Key Outputs	Most Recent FY 2018 Actual	FY 2019 Target	FY 2020 Target	FY 2020 +/- FY 2019
Audits:				
Audit Reports Started	141	145	150	+5
Audit Reports Issued	100	107	110	+3
Evaluations:				
Evaluation Reports Started	40	30	35	+5
Evaluation Reports Issued	35	37	38	+1
Investigations:				
Complaints Received for Investigation	2,626	2,281	2,361	+80
Investigative Cases Opened	1,740	1,453	1,504	+51
Investigative Cases Closed	1,623	1,501	1,554	+53
PL funding (Dollars in Millions)	**$287.2**	**$294.2**	**$323.2**	**+29.0**

FY 2018 Medicare and Medicaid Major Outputs by OIG Component:

Audits, Evaluations, Cases, and Monetary Impact

Office of Audit Services
(Dollars in thousands)

Category	Audit Starts	Audits Issued	Rec's Issued	Rec's Concur Imple-mented	Questioned Cost[59]	Funds Put to Better Use[60]
Medicare and Medicaid Oversight	141	100	291	65	$1,031,090,188	$822,614,593

Office of Evaluation and Inspections

Category	Evaluation Starts	Evaluations Issued	Rec's Issued	Rec's Concur Implemented	Rec's Implemented
Medicare and Medicaid Oversight	40	35	51	1	75

Office of Investigations
(Dollars in thousands)

Category	Cases Opened	Cases Closed	Criminal Actions	Civil Actions	Complaints Received For Inv	Monetary Results
Medicare and Medicaid Oversight	1,740	1,623	679	591	2,646	$2,766,390,715

[59] Questioned Cost reflects disallowed cost and/or potential recoveries in which management concurred with the audit recommendation.

[60] Funds Put to Better Use reflects potential savings on those audit recommendations that achieve identifiable monetary savings.

https://oig.hhs.gov

SUPPLEMENTARY TABLES

Total Budget Authority by Object Class

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$181,876	$191,907	$198,116	+$6,210
Other than full-time permanent (11.3)	3,980	4,060	4,190	+130
Other personnel compensation (11.5)	3,156	3,219	3,319	+99
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	82	84	86	+3
Subtotal Personnel Compensation	**189,095**	**199,270**	**205,712**	**+6,442**
Civilian benefits (12.1)	70,988	74,408	76,105	+1,697
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Total Pay Costs	**260,083**	**273,678**	**281,817**	**+8,139**
Travel and transportation of persons (21.0)	7,647	7,647	7,762	+115
Transportation of things (22.0)	2,578	2,578	2,617	+39
Rental payments to GSA (23.1)	21,158	21,158	24,000	+2,841
Rental payments to others (23.2)	7	7	7	-
Communication, utilities, and misc. charges (23.3)	7,955	7,955	8,074	+119
Cell Services (23.4)	223	12	12	
Printing and reproduction (24.0)	84	84	85	+1
Other Contractual Services:				-
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	39,855	55,448	32,786	-22,662
Purchase of goods and services from government accounts (25.3)	33,389	38,989	39,574	- +585
Operation and maintenance of facilities (25.4)	4,306	4,306	4,371	+65
Research and Development Contracts (25.5)	0	0	0	+0
Medical care (25.6)	508	508	516	+8
Operation and maintenance of equipment (25.7)	8,082	8,082	8,204	+121
Subsistence and support of persons (25.8)	-	-		-
Total Other Contractual Services	**86,141**	**107,334**	**85,450**	**-21,883**
Supplies and materials (26.0)	1,383	1,383	1,404	+21
Equipment (31.0)	9,738	9,738	9,884	+146
Land and structures (32.0)	3	3	3	-
Investments and Loans (33.0)	-	-	-	-
Grants, subsidies, and contributions (41.0)	-	-	-	-
Insurance claims and indemnities (42.0)	154	154	156	-
Interest and dividends (43.0)	-	-	-	-
Refunds (44.0)	-	-	-	-
Total Non-Pay Costs	**137,071**	**158,053**	**139,455**	**-18,599**
Total Obligations	**$397,154**	**$431,731**	**$421,272**	**-$10,460**

PHHS Oversight Budget Authority by Object Class

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$40,975	$41,473	$42,302	+$829
Other than full-time permanent (11.3)	923	941	960	+19
Other personnel compensation (11.5)	896	914	932	+18
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	19	19	19	-
Subtotal personnel compensation	**42,813**	**43,347**	**44,214**	**+867**
Civilian benefits (12.1)	16,095	16,417	16,610	+193
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Total Pay Costs	**58,908**	**59,764**	**60,824**	**+1,060**
Travel and transportation of persons (21.0)	1,644	1,644	1,669	+25
Transportation of things (22.0)	498	498	506	+7
Rental payments to GSA (23.1)	5,357	5,357	5,942	+585
Rental payments to others (23.2)	2	2	2	-
Communication, utilities, and misc. charges (23.3)	2,743	2,743	2,785	+41
Cell Services (23.4)	12	12	12	-
Printing and reproduction (24.0)	8	8	9	-
Other Contractual Services:	-	-	-	-
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	5,502	11,003	1,137	-9,866
Purchase of goods and services from government accounts (25.3)	-	-	-	-
	1,858	1,858	1,886	+28
Operation and maintenance of facilities (25.4)	546	546	554	+8
Research and Development Contracts (25.5)	0	0	0	-
Medical care (25.6)	11	11	11	-
Operation and maintenance of equipment (25.7)	1,477	1,477	1,499	+22
Subsistence and support of persons (25.8)	-	-	-	-
Subtotal Other Contractual Services	**9,398**	**14,895**	**5,088**	**-9,808**
Supplies and materials (26.0)	353	353	359	+5
Equipment (31.0)	2,695	2,695	2,736	+40
Land and Structures (32.0)	3	3	3	-
Investments and Loans (33.0)	-	-	-	-
Grants, subsidies, and contributions (41.0)	-	-	-	-
Insurance claims and indemnities (42.0)	66	66	67	1
Interest and dividends (43.0)	-	-	-	-
Refunds (44.0)	-	-	-	-
Total Non-Pay Costs	**22,781**	**28,278**	**19,176**	**-9,102**
Total Direct Obligations	**$81,689**	**$88,042**	**$80,000**	**-$8,042**

Medicare and Medicaid Oversight Budget Authority by Object Class

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$140,636	$150,164	$155,539	+$5,375
Other than full-time permanent (11.3)	3,057	3,119	3,230	+112
Other personnel compensation (11.5)	2,169	2,213	2,292	+79
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	64	65	67	+2
Subtotal personnel compensation	**145,926**	**155,560**	**161,128**	**+5,568**
Civilian benefits (12.1)	54,779	57,875	59,376	+1,501
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Total Pay Costs,	**200,706**	**213,435**	**220,504**	**+7,069**
Travel and transportation of persons (21.0)	5,965	5,965	6,055	+89
Transportation of things (22.0)	2,080	2,080	2,112	+31
Rental payments to GSA (23.1)	15,801	15,801	18,058	+2,257
Rental payments to others (23.2)	5	5	5	+0
Communication, utilities, and misc. charges (23.3)	5,211	5,211	5,289	+78
Cell Services (23.4)	211	-	12	+12
Printing and reproduction (24.0)	75	75	76	+1
Other Contractual Services:				-
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	34,341	43,623	31,133	-12,490
Purchase of goods and services from government accounts (25.3)	17,479	17,479	17,741	+262
Operation and maintenance of facilities (25.4)	3,760	3,760	3,816	+56
Research and Development Contracts (25.5)	-	-	-	-
Medical care (25.6)	498	498	505	+7
Operation and maintenance of equipment (25.7)	6,606	6,606	6,705	+99
Subsistence and support of persons (25.8)	-	-	-	-
Lab & testing Services (25.9)	2	-	-	-
Total Other Contractual Services	**62,686**	**71,965**	**59,900**	**-12,065**
Supplies and materials (26.0)	1,022	1,022	1,037	+15
Equipment (31.0)	7,041	7,041	7,147	+106
Land and structures (32.0)	-	-	-	-
Investments and loans (33.0)	-	-	-	-
Grants, subsidies, and contributions (41.0)	-	-	-	-
Insurance claims and indemnities (42.0)	88	88	89	+1
Interest and dividends (43.0)	-	-	-	-
Refunds (44.0)	-	-	-	-
Total Non-Pay Costs	**$100,185**	**$109,254**	**$99,780**	**-9,474**
Total Direct Obligations	**$300,891**	**$322,688**	**$320,284**	**-$2,405**

Reimbursable Budget Authority by Object Class

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Object Class				
Personnel compensation:				
Full-time permanent (11.1)	$265	$270	$275	+$5
Other than full-time permanent (11.3)	-	-	-	-
Other personnel compensation (11.5)	91	93	95	+2
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	-	-	-	-
Subtotal personnel compensation	**356**	**363**	**370**	**+7**
Civilian benefits (12.1)	114	116	118	+2
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Subtotal Pay Costs,	**470**	**479**	**489**	**+10**
Travel and transportation of persons (21.0)	38	38	38	+1
Transportation of things (22.0)	-	-	-	-
Rental payments to GSA (23.1)	-	-	-	-
Rental payments to others (23.2)	-	-	-	-
Communication, utilities, and misc. charges (23.3)	1	1	1	+0
Cell Services (23.4)	-	-	-	-
Printing and reproduction (24.0)	-	-	-	-
Other Contractual Services:				-
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	12	822	516	-306
Purchase of goods and services from government accounts (25.3)	14,052	19,652	19,947	- +295
Operation and maintenance of facilities (25.4)	-	-	-	-
Research and Development Contracts (25.5)	-	-	-	-
Medical care (25.6)	-	-	-	-
Operation and maintenance of equipment (25.7)	-	-	-	-
Subsistence and support of persons (25.8)	-	-	-	-
Subtotal Other Contractual Services	**14,064**	**20,474**	**20,463**	**-11**
Supplies and materials (26.0)	8	8	8	+0
Equipment (31.0)	1	1	2	+0
Land and Structures (32.0)	-	-	-	-
Investments and Loans (33.0)	-	-	-	-
Grants, subsidies, and contributions (41.0)	-	-	-	-
Interest and dividends (43.0)	-	-	-	-
Refunds (44.0)	-	-	-	-
Subtotal Non-Pay Costs	**14,111**	**20,521**	**20,511**	**-10**
Total Direct Obligations	**$14,581**	**$21,000**	**$21,000**	**-$0**

Total Salary and Expenses

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$181,876	$191,907	$198,116	+$6,210
Other than full-time permanent (11.3)	3,980	4,060	4,190	+130
Other personnel compensation (11.5)	3,156	3,219	3,319	+99
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	82	84	86	+3
Subtotal personnel compensation	**189,095**	**199,270**	**205,712**	**+6,442**
Civilian benefits (12.1)	70,988	74,408	76,105	+1,697
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Subtotal Pay Costs	**260,083**	**273,678**	**281,817**	**+8,139**
Travel (21.0)	7,647	7,647	7,762	+115
Transportation of things (22.0)	2,578	2,578	2,617	+39
Communication, utilities, and misc. charges (23.3)	7,955	7,955	8,074	+119
Cell Services (23.4)	223	12	12	+0
Printing and reproduction (24.0)	84	84	85	+1
Other Contractual Services:				-
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	39,855	55,448	32,786	-22,662
Purchase of goods and services from government accounts (25.3)	33,389	38,989	39,574	+585
Operation and maintenance of facilities (25.4)	4,306	4,306	4,371	+65
Research and Development Contracts (25.5)	0	0	0	+0
Medical care (25.6)	508	508	516	+8
Operation and maintenance of equipment (25.7)	8,082	8,082	8,204	+121
Subsistence and support of persons (25.8)	-	-	-	-
Lab & Testing Services (25.9)	6	-	-	-
Subtotal Other Contractual Services	**86,147**	**107,334**	**85,450**	**-21,883**
Supplies and materials (26.0)	1,383	1,383	1,404	+21
Subtotal Non-Pay Costs	**106,017**	**126,993**	**105,405**	**-21,588**
Total Salary and Expenses	**366,101**	**400,671**	**387,222**	**-13,450**
Rental Payments to GSA (23.1)	21,158	21,158	24,000	+2,841
Grand Total, Salaries & Expenses and Rent	**$387,259**	**$421,829**	**$411,221**	**-$10,608**
Direct FTE	1,601	1,650	1,670	+20

PHHS Oversight Salary and Expenses

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$40,975	$41,473	$42,302	+$829
Other than full-time permanent (11.3)	923	941	960	+19
Other personnel compensation (11.5)	896	914	932	+18
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	19	19	19	+0
Subtotal personnel compensation	**42,813**	**43,347**	**44,214**	**+867**
Civilian benefits (12.1)	16,095	16,417	16,610	+193
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-		-	-
Subtotal Pay Costs	**58,908**	**59,764**	**60,824**	**+1,060**
Travel (21.0)	1,644	1,644	1,669	+25
Transportation of things (22.0)	498	498	506	+7
Communication, utilities, and misc. charges (23.3)	2,743	2,743	2,785	+41
Cell Services (23.4)				-
Printing and reproduction (24.0)	8	8	9	+0
Other Contractual Services:				
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	5,502	11,003	1,137	-9,866
Purchase of goods and services from government accounts (25.3)	1,858	1,858	1,886	- +28
Operation and maintenance of facilities (25.4)	546	546	554	+8
Research and Development Contracts (25.5)	0	0	0	+0
Medical care (25.6)	11	11	11	+0
Operation and maintenance of equipment (25.7)	1,477	1,477	1,499	+22
Subsistence and support of persons (25.8)	-	-	-	-
Lab & Testing Services (25.9)	4	-	-	-
Subtotal Other Contractual Services	**9,398**	**14,895**	**5,088**	**-9,808**
Supplies and materials (26.0)	353	353	359	+5
Subtotal Non-Pay Costs	**14,646**	**20,143**	**10,414**	**-9,729**
Total Salary and Expenses	**73,554**	**79,907**	**71,238**	**-8,669**
Rental Payments to GSA (23.1)	5,357	5,357	5,942	+585
Grand Total, Salaries & Expenses and Rent	**$78,911**	**$85,264**	**$77,180**	**-$8,084**
Direct FTE	335	339	339	-

Medicare and Medicaid Oversight Salary and Expenses

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$140,636	$150,164	$155,539	+$5,375
Other than full-time permanent (11.3)	3,057	3,119	3,230	+112
Other personnel compensation (11.5)	2,169	2,213	2,292	+79
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	64	65	67	+2
Subtotal personnel compensation	**145,926**	**155,560**	**161,128**	**+5,568**
Civilian benefits (12.1)	54,779	57,875	59,376	+1,501
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Subtotal Pay Costs	**200,706**	**213,435**	**220,504**	**+7,069**
Travel (21.0)	5,965	5,965	6,055	+89
Transportation of things (22.0)	2,080	2,080	2,112	+31
Communication, utilities, and misc. charges (23.3)	5,211	5,211	5,289	+78
Cell Services (23.4)				-
Printing and reproduction (24.0)	75	75	76	+1
Other Contractual Services:				
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	34,341	43,623	31,133	-12,490
Purchase of goods and services from government accounts (25.3)	17,479	17,479	17,741	+262
Operation and maintenance of facilities (25.4)	3,760	3,760	3,816	+56
Research and Development Contracts (25.5)	-	-	-	-
Medical care (25.6)	498	498	505	+7
Operation and maintenance of equipment (25.7)	6,606	6,606	6,705	+99
Subsistence and support of persons (25.8)	-	-	-	-
Lab & Testing Services (25.9)	2	-	-	-
Subtotal Other Contractual Services	**62,683**	**71,965**	**59,900**	**-12,065**
Supplies and materials (26.0)	1,022	1,022	1,037	+15
Subtotal Non-Pay Costs	**77,037**	**86,318**	**74,469**	**-11,850**
Total Salary and Expenses	**277,742**	**299,753**	**294,972**	**-4,781**
Rental Payments to GSA (23.1)	15,801	15,801	18,058	+2,257
Grand Total, Salaries & Expenses and Rent	**$293,543**	**$315,554**	**$313,030**	**-$2,524**
Direct FTE	1,240	1,301	1,321	+20

Reimbursables Salary and Expenses

(Dollars in thousands)

	FY 2018 Final	FY 2019 Enacted	FY 2020 President's Budget	FY 2020 +/- FY 2019
Personnel compensation:				
Full-time permanent (11.1)	$265	$270	$275	+$5
Other than full-time permanent (11.3)	-	-	-	-
Other personnel compensation (11.5)	91	93	95	+2
Military personnel (11.7)	-	-	-	-
Special personnel services payments (11.8)	-	-	-	-
Subtotal personnel compensation	**356**	**363**	**370**	**+7**
Civilian benefits (12.1)	114	116	118	+2
Military benefits (12.2)	-	-	-	-
Benefits to former personnel (13.0)	-	-	-	-
Subtotal Pay Costs	**470**	**479**	**489**	**+10**
Travel (21.0)	38	38	38	+1
Transportation of things (22.0)	-	-	-	-
Communication, utilities, and misc. charges (23.3)	1	1	1	-
Cell Services (23.4)				-
Printing and reproduction (24.0)	-	-	-	-
Other Contractual Services:				-
Advisory and assistance services (25.1)	-	-	-	-
Other services (25.2)	12	822	516	-306
Purchase of goods and services from government accounts (25.3)	14,052	19,652	19,947	- +295
Operation and maintenance of facilities (25.4)	-	-	-	-
Research and Development Contracts (25.5)	-	-	-	-
Medical care (25.6)	-	-	-	-
Operation and maintenance of equipment (25.7)	-	-	-	-
Subsistence and support of persons (25.8)	-	-	-	-
Lab & Testing Services (25.9)	-	-	-	-
Subtotal Other Contractual Services	**14,064**	**20,474**	**20,463**	**-11**
Supplies and materials (26.0)	8	8	8	-
Subtotal Non-Pay Costs	**14,110**	**20,520**	**20,510**	**-10**
Total Salary and Expenses	**14,580**	**20,999**	**20,998**	**-1**
Rental Payments to GSA (23.1)	-	-	-	-
Grand Total, Salaries & Expenses and Rent	**$14,580**	**$20,999**	**$20,998**	**-$1**
Direct FTE	9	10	10	-

Detail of FTE

	2018 Actual Civilian	2018 Actual Military	2018 Actual Total	2019 Est. Civilian	2019 Est. Military	2019 Est. Total	2020 Est. Civilian	2020 Est. Military	2020 Est. Total
PHHS Oversight									
Direct:.....	335	-	335	339	-	339	339	-	339
Reimbursable:.....	9	-	9	10	-	10	10	-	10
Total:.....	344	-	344	349	-	349	349	-	349
Medicare and Medicaid Oversight									
HCFAC Mandatory.....	881	-	881	925	-	925	925	-	925
HCFAC Discretionary	376	-	376	396	-	396	396	-	396
Total:.....	1,257	-	1,257	1,301	-	1,301	1,321	-	1,321
OIG FTE Total.....	**1,601**	**-**	**1,601**	**1,650**	**-**	**1,650**	**1,670**	**-**	**1,670**

Detail of Positions

	2018 Actual	FY 2019 Enacted	2020 President's Budget
Executive (ES) Positions:			
Executive level X	1	1	1
ES-00	18	20	20
Subtotal	**19**	**21**	**21**
Senior Leader (SL) Positions	5	6	6
Subtotal	**5**	**6**	**6**
General Schedule (GS) Positions:			
GS-15	126	126	126
GS-14	249	255	255
GS-13	760	850	890
GS-12	265	240	200
GS-11	69	82	82
GS-10	1	1	1
GS-9	50	62	62
GS-8	1	1	1
GS-7	28	28	28
GS-6	1	1	1
GS-5	14	17	17
GS-4	25	25	25
Subtotal	**1,589**	**1,688**	**1,688**
Total, OIG Positions	**1,613**	**1,715**	**1,715**
Average GS Grade	12.6	12.6	12.6
Average ES & SL Salary	185,486	168,174	168,174
Average GS Salary	107,665	103,377	105,445

Average GS Grade

FY 2015	12.8
FY 2016	12.6
FY 2017	12.6
FY 2018	12.6
FY 2019	12.6

Physicians' Comparability Allowance (PCA) Worksheet

(Dollars in thousands)

	PY 2018 (Actual)	CY 2019 (Estimates)	BY* 2020 (Estimates)
Physicians Receiving PCAs	1	1	1
Physicians with 1-year PCA Agreements	0	0	0
Physicians with Multi-Year PCA Agreements	1	1	1
Average Annual PCA Physician Pay (without PCA payment)	$183	$183**	$190
Average Annual PCA Payment	$30	$30	$30
Physicians Receiving PCA, Category IV-B Health and Medical Administration	1	1	1

*BY (Budget Year) data will be approved during the BY Budget cycle.
**CY 2019 and BY 2020 estimates reflect a conservative 2-percent performance-based increase that may be authorized consistent with OIG's Senior Professional Pay-for-Performance System and annual supplemental guidance.

Provide the Maximum annual PCA amount paid to each category of physician in your agency and explain the reasoning for these amounts by category.
OIG sets its annual PCA amount consistent with HHS policy. In 2019, approximately $30,000 will be provided to the physician in Category IV-B.

Explain the recruitment and retention problem for each category of physician in your agency.
The OIG Chief Medical Officer (CMO) serves as OIG's internal medical consultant to all OIG components on a wide array of OIG activities. The CMO provides technical expertise on a variety of medical and clinical issues relating to investigations, litigation, and compliance involving potential fraud, quality-of-care violations, and other significant health-care-related issues. As this position is critical to the success of many OIG efforts, the PCA helps to ensure that the CMO position is competitive to qualified candidates and that, once selected, quality individuals are retained.

Explain the degree to which recruitment and retention problems were alleviated in your agency through the use of PCAs in the prior FY.
See above response for detail. The position was not vacant in the prior fiscal year, which is attributable, in part, to the PCA.

Regarding the increase in the average annual PCA physician pay (without PCA payment), the estimated salary of OIG's Chief Medical Officer reflects a conservative rating-based pay adjustment commensurate with this physician's individual performance and impact on achieving agency priorities and mission imperatives under an OPM-approved and certified "pay for performance" appraisal system that covers SL positions. Actual pay increases will be made in accordance with HHS and OIG policy and annual pay guidance issued by the OIG Office of Management and Policy.

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SIGNIFICANT ITEMS

This satisfies a requirement in the Explanatory Statement accompanying the House Subcommittee on the Departments of Labor, Health and Human Services, Education and Related Agencies Appropriations Bill, 2019 (Report No. 115-245) to report in the FY 2019 budget request on the following Significant Items.

1. **Office of Refugee Resettlement (ORR)**
   The Committee directs HHS-OIG to report within 30 days of enactment on the implementation of and any interagency coordination associated with the previous policy of separating migrant families, the Executive Order issued on June 20, 2018, entitled "Affording Congress an Opportunity to Address Family Separation," and efforts made to reunify families separated under the previous family separation policy. (Page 118, H.Rept. 115-952)

   Action To Be Taken
   On November 1, 2018, OIG provided a briefing regarding OIG's ongoing review of HHS-ORR's UAC program. That review, which will result in several products expected to be released in 2019, is examining ORR-funded facilities' efforts to ensure the safety and well-being of children in their care, as well as their efforts to reunify children who were separated from their parents. The briefing also outlined OIG's coordination with other oversight agencies in planning and executing this work.

2. **National Institutes of Health Grant Programs and Operations**
   The Committee directs the NIH Office of the Director to transfer $5,000,000 to HHS-OIG to support increased oversight of NIH's grant programs. In particular, OIG is directed to examine NIH's oversight of its grantees' compliance with NIH policies, including NIH efforts to ensure the integrity of its grant application evaluation and selection processes. The committee directed the Inspector General to submit a comprehensive audit plan for its oversight of NIH for FYs 2019 and 2020 to the House of Representatives and Senate Appropriations Committees no later than 60 days from the date of enactment of the Act. (Page 531-532, H.Rept. 115-952)

   Action To Be Taken
   In November 2018, OIG consulted with the House of Representatives and Senate Appropriations Committees and provided a comprehensive audit plan within the 60-day reporting requirement. OIG plans to conduct the required oversight activities using a strategic, multidisciplinary approach involving audits, evaluations, investigations, and data analytics to help ensure the integrity of NIH's grant programs and its operations. OIG uses a data-driven, risk-based approach when designing its work. To support this work, OIG will invest in data and data analytics capabilities to ensure efficient and effective oversight of NIH and its grantees. Further, OIG will update the Committees in FY 2019 on the implementation of the audit plan.

   OIG's oversight plan pursuant to this mandate will focus on the following key areas:

   1. Intellectual Property and Cybersecurity Protections
   2. Compliance with Federal Requirements and NIH Policies for Grants and Contracts
   3. Integrity of Grant Application and Selection Processes

   High priority projects will start first, and we expect some of them to be completed by the end of FY 2019. Projects listed as second priority will begin as resources become available and high-priority projects are finished.

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SPECIAL REQUIREMENTS

Requirements of the Inspector General Act

Section 6 of the Inspector General Act (IG Act) was amended in 2008 by the Inspector General Reform Act (P.L. No. 110-409). Revised section 6 now reads:

> "(f)(1) For each fiscal year, an Inspector General shall transmit a budget estimate and request to the head of the establishment or designated Federal entity to which the Inspector General reports. The budget request shall specify the aggregate amount of funds requested for such fiscal year for the operations of that Inspector General and shall specify the amount requested for all training needs, including a certification from the Inspector General that the amount requested satisfies all training requirements for the Inspector General's office for that fiscal year, and any resources necessary to support the Council of the Inspectors General on Integrity and Efficiency. Resources necessary to support the Council of the Inspectors General on Integrity and Efficiency shall be specifically identified and justified in the budget request.
>
> "(2) In transmitting a proposed budget to the President for approval, the head of each establishment or designated Federal entity shall include –
>
> (A) an aggregate request for the Inspector General;
> (B) amounts for Inspector General training;
> (C) amounts for support of the Council of the Inspectors General on Integrity and Efficiency; and
> (D) any comments of the affected Inspector General with respect to the proposal.
>
> "(3) The President shall include in each budget of the United States Government submitted to Congress –
>
> (A) a separate budget statement of the budget estimate prepared in accordance with paragraph (1);
> (B) the amount requested by the President for each Inspector General;
> (C) the amount requested by the President for training of Inspectors General;
> (D) the amount requested by the President in support for the Council of the Inspectors General on Integrity and Efficiency; and
> (E) any comments of the affected Inspector General with respect to the proposal if the Inspector General concludes that the budget submitted by the President would substantially inhibit the Inspector General from performing the duties of the office."

OIG meets the above requirement by providing the following information:

- OIG's aggregate budget estimate and request to HHS at the beginning of the FY 2020 process was $506.9 million.

- Funding requested for training is approximately $12 million.

- Funding will be necessary to support the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

OIG Training Requirements
In accordance with section 6(f)(3)(C) of the IG Act, this budget requests approximately $12 million in FY 2020 for training expenses, of which a portion will be funded from the discretionary budget. This amount is composed of OIG's baseline training budget for its entire staff, which, with the FY 2020 request, includes approximately 1,670 criminal investigators, auditors, program evaluators, attorneys, and administrative and management staff.

OIG Financial Support for CIGIE
In support of the Government-wide IG community, OIG contributes funds for the operation of CIGIE. In accordance with the reporting requirements of section 6(f)(3)(D) of the Inspector General Act, this budget requests necessary funding for OIG's support of CIGIE, of which a portion will be funded from OIG's discretionary budget.