U.S. Department of Health and Human Services

Office of Inspector General

# Medicaid Fraud Control Units Fiscal Year 2021 Annual Report

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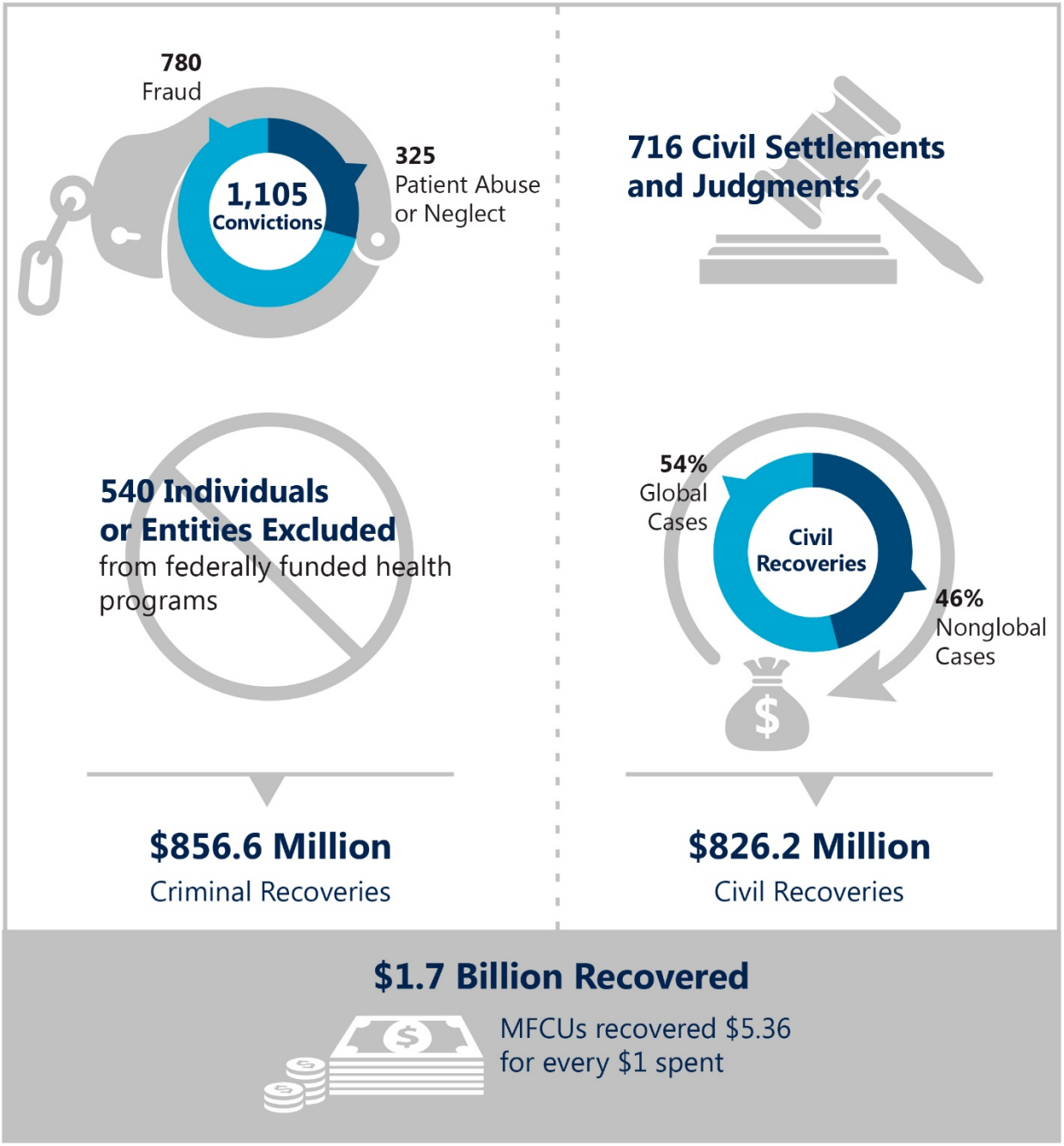
March 2022, OEI-09-22-00020

U.S. Department of Health and Human Services
Office of Inspector General
Report in Brief
March 2022, OEI-09-22-00020

# Medicaid Fraud Control Units Fiscal Year 2021 Annual Report




Medicaid Fraud Control Units (MFCUs) investigate and prosecute Medicaid provider fraud and patient abuse or neglect. The Department of Health and Human Services Office of Inspector General (OIG) is the designated Federal agency that oversees and annually approves Federal funding for MFCUs through a recertification process. For this report, OIG analyzed the annual statistical data on case outcomes (such as convictions, civil settlements and judgments, and recoveries) that 53 MFCUs submitted to OIG for fiscal year 2021. Those MFCUs operated in all 50 States, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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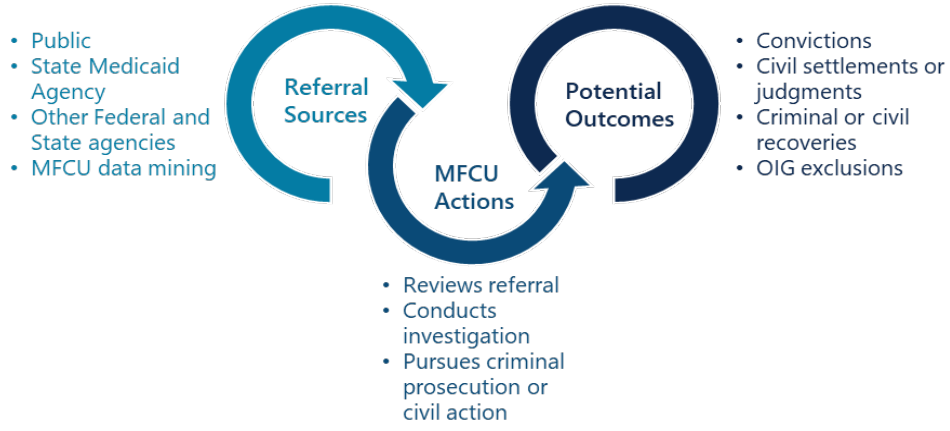
# BACKGROUND

The function of Medicaid Fraud Control Units (MFCUs or Units) is to investigate and prosecute Medicaid provider fraud and patient abuse or neglect.[1] The Social Security Act (SSA) requires each State to effectively operate a MFCU, unless the Secretary of Health and Human Services (HHS) determines that (1) the operation of a Unit would not be cost-effective because minimal Medicaid fraud exists in a particular State; and (2) the State has other adequate safeguards to protect beneficiaries from abuse or neglect.[2] In fiscal year (FY) 2021, all 50 States, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands operated MFCUs.[3, 4]

MFCUs are funded jointly by the Federal and State Governments. Each Unit receives a Federal grant award equivalent to 90 percent of total expenditures for new Units and 75 percent for all other Units.[5] In FY 2021, combined Federal and State expenditures for the Units totaled approximately $314 million, of which approximately $236 million represented Federal funds.[6]

As illustrated in Exhibit 1, MFCU cases typically begin as referrals from external sources or are generated internally from data mining.[7] MFCU staff review referrals of possible fraud and patient abuse or neglect to determine the potential for criminal prosecution and/or civil action. If the Unit accepts a referral for investigation, the case may result in various possible outcomes. Criminal prosecutions may result in convictions; civil actions may result in civil settlements or judgments. Both criminal prosecutions and civil actions may include the assessment of monetary recoveries. The Office of Inspector General (OIG) has the authority to exclude convicted individuals and entities from any federally funded health care program on the basis of convictions referred from MFCUs.[8] In addition to achieving these case outcomes, Units may also make programmatic recommendations to their respective State Governments to help strengthen program integrity and efforts to fight patient abuse or neglect.

### Exhibit 1: The typical life cycle of a MFCU case



## Oversight of the MFCU Program

Reducing Medicaid fraud is a top priority for OIG, and its role in overseeing MFCUs helps achieve that priority. OIG oversees the MFCU grant program by recertifying Units, conducting reviews and inspections (hereinafter referred to as inspections) of Units, providing technical assistance to Units, and monitoring key statistical data about Unit caseloads and outcomes.[9]

Annually, OIG reviews each Unit's application for recertification; approval of this application is necessary for the Unit to receive Federal reimbursement.[10] To recertify a Unit, OIG performs a desk review to assess the Unit's compliance with the Federal requirements for MFCUs contained in statute, regulations, and OIG policy transmittals. OIG also examines the Unit's adherence to 12 performance standards, such as those regarding staffing, maintaining adequate referrals, and cooperating with Federal authorities.[11]

OIG further assesses a Unit's performance by conducting inspections of Units that may identify findings and lead to OIG making recommendations for improvement. During an inspection, OIG also makes observations regarding Unit operations and practices, and may identify beneficial practices that may be useful to other Units. Finally, OIG provides training and technical assistance to Units, as appropriate.

OIG also provides ongoing technical assistance and guidance to Units. These activities may include outreach, responding to questions from the Units, providing training to Units, and issuing policy transmittals to all Units. OIG also collects and presents statistical data reported by each MFCU annually, such as the numbers of open cases, indictments, and convictions and amounts of recoveries. These data can be accessed on the OIG website in two formats: a statistical chart and an interactive map.

## Methodology

For this report, we analyzed information from the FY 2021 Annual Statistical Reports that 53 MFCUs submitted to OIG, the recertification materials that the MFCUs submitted to OIG, and OIG exclusions data.

Similar to the *Medicaid Fraud Control Units Fiscal Year 2020 Annual Report*, we analyzed information about the effects of the ongoing COVID-19 pandemic (pandemic). In FY 2020, OIG surveyed MFCUs to assess the impact of the pandemic on their operations. Because the pandemic was still ongoing in FY 2021, we further analyzed the MFCU's recertification information submitted in FY 2021 to gain an understanding of the pandemic's continued impact on their operations.

We aggregated case outcomes across all Units for FY 2021 and for each of the preceding 4 years—FYs 2017 through 2020. These outcomes include convictions, civil settlements and judgments, and recoveries. We also calculated the return on investment (ROI) for MFCUs.[12] We identified the provider types with the highest

numbers of criminal and civil outcomes in FY 2021 and the numbers of exclusions that OIG imposed in FY 2021 on individuals and entities as a result of conviction referrals from MFCUs. We also analyzed MFCU drug diversion cases using data for FYs 2017 through 2021. Additionally, we highlight the beneficial practices described in each Unit's more recent inspections, as described in Appendix A.

## Standards

We conducted this study in accordance with the *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency. OIG inspections of the MFCUs and this annual report differ from other OIG evaluations in that they support OIG's direct administration of the MFCU grant program, but they are subject to the same internal quality controls as other OIG evaluations, including internal and external peer review.

# CASE OUTCOMES

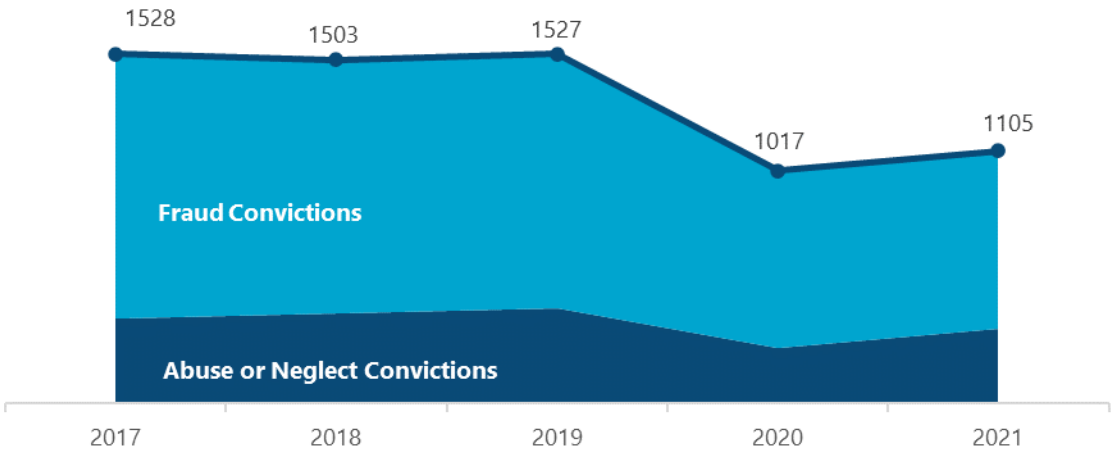
In FY 2020, Units reported to OIG that the pandemic created significant challenges for staff, operations, and court proceedings, which limited case outcomes—particularly criminal outcomes. For example, Units reported that court systems in general had closed their in-person operations and postponed or reduced the number of grand jury proceedings.

In FY 2021, MFCUs reported continued operational challenges attributable to the pandemic. Units reported limitations with in-person staff training, restricted access to long-term care facilities and/or witnesses, and continued court closures, among other challenges. However, they noted that some of these pandemic-associated challenges had begun to subside. For example, some courts had reopened, allowing proceedings to continue, which started to reduce the backlog of prosecutions. Some Units also reported that long-term care facilities had begun to permit in-person access, allowing MFCU staff to follow up on referrals of patient abuse and neglect.

## MFCUs reported 1,105 total convictions in FY 2021

Total convictions resulting from MFCU cases increased from 1,017 in FY 2020 to 1,105 in FY 2021. In FY 2021, MFCU cases resulted in 780 convictions for fraud and 325 convictions for patient abuse or neglect, similar to the distribution in previous years. Exhibit 2 shows the total number of convictions during FYs 2017 through 2021.

**Exhibit 2: Fraud convictions accounted for about 70 percent of all FY 2021 convictions.**




Source: OIG analysis of Annual Statistical Reports for FYs 2017–2021.

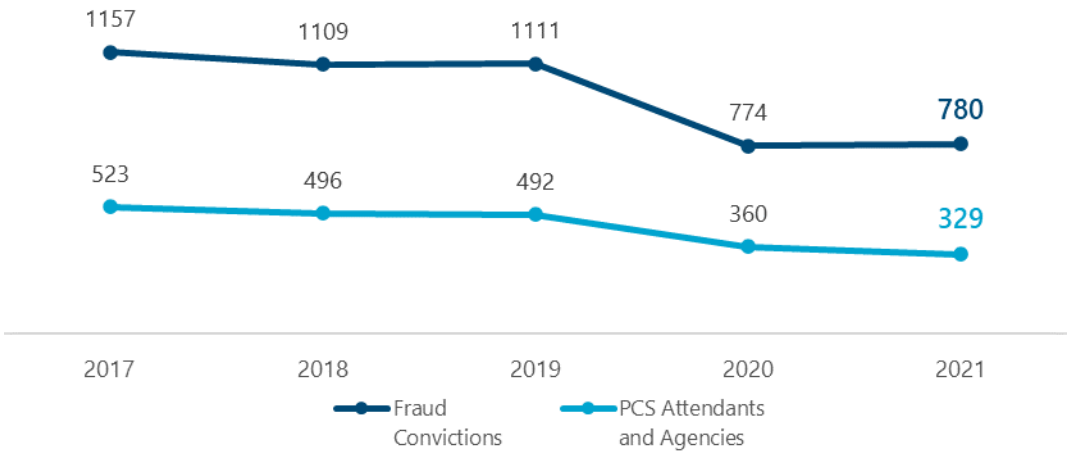
MFCU convictions lead to the exclusion of individuals and entities from participation in federally funded health care programs, broadening the impact of those convictions. When MFCUs make referrals to OIG regarding convictions for fraud and patient abuse or neglect in their respective States, OIG has the authority to exclude those convicted individuals and entities from federally funded health care programs. Through these referrals, MFCUs help ensure that individuals and entities convicted in one State are excluded from Medicaid programs in other States, as well as from other Federal programs related to health care.[13]

In FY 2021, OIG imposed a total of 1,689 exclusions on individuals and entities. MFCU cases were responsible for 540 of those exclusions. In addition to these 540 MFCU-generated exclusions, MFCUs participated in joint cases with the OIG Office of Investigations that also may have resulted in exclusions.

## Similar to previous years, significantly more convictions for fraud involved personal care services (PCS) attendants and agencies than any other provider type

Compared to other provider types, PCS attendants and agencies had the highest number of fraud convictions each year during FYs 2017 through 2021. Exhibit 3 shows the number of PCS fraud convictions, as compared to total fraud convictions, in FYs 2017–2021.

**Exhibit 3: Fraud convictions involving PCS attendants and agencies accounted for a significant portion of total fraud convictions in FYs 2017–2021.**

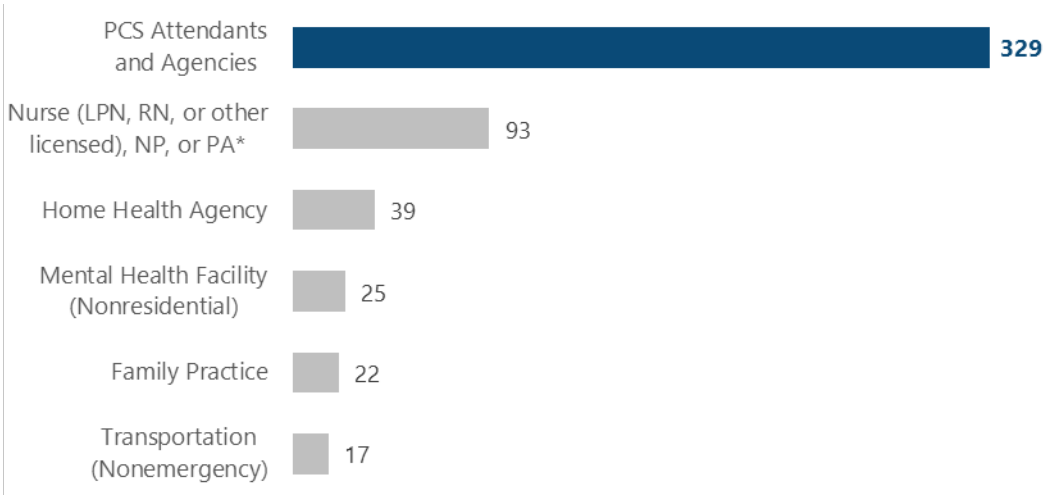



Source: OIG analysis of Annual Statistical Reports for FYs 2017–2021.

In FY 2021, fraud convictions involving PCS attendants and agencies accounted for 329 of the total 780 fraud convictions (42 percent).

Exhibit 4 shows the provider types with the most fraud convictions in FY 2021. See Appendix B for detailed statistics, by provider type, on the number of criminal convictions, civil settlements or judgments, and recovery amounts, as well as the number of open investigations.

**Exhibit 4: Convictions of PCS attendants and agencies for fraud were significantly higher than for any other provider type in FY 2021.**

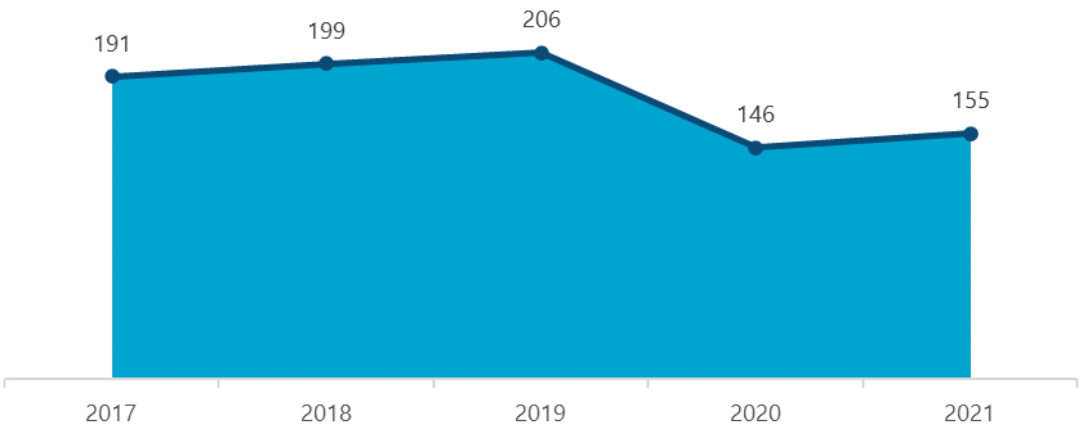



*LPN=Licensed Practical Nurse, RN=Registered Nurse, NP=Nurse Practitioner, and PA=Physician Assistant.
Source: OIG analysis of FY 2021 Annual Statistical Reports.

## MFCUs reported 155 convictions from drug diversion cases in FY 2021

MFCU convictions related to drug diversion increased slightly from 146 in FY 2020 to 155 in FY 2021, and associated criminal recoveries totaled $1.87 million in FY 2021. In a Medicaid context, drug diversion cases generally involve the fraudulent billing of Medicaid for drugs diverted from legal and medically necessary uses, or the fraudulent activities by Medicaid providers related to drug diversion regardless of whether the Medicaid program was billed.[14] MFCUs may conduct drug diversion investigations jointly with other State or Federal agencies, such as OIG or the U.S. Drug Enforcement Administration. Exhibit 5 shows the number of convictions associated with drug diversion cases during FYs 2017 through 2021.

**Exhibit 5: Convictions from drug diversion cases increased in FY 2021, after a decline during the first year of the pandemic.**

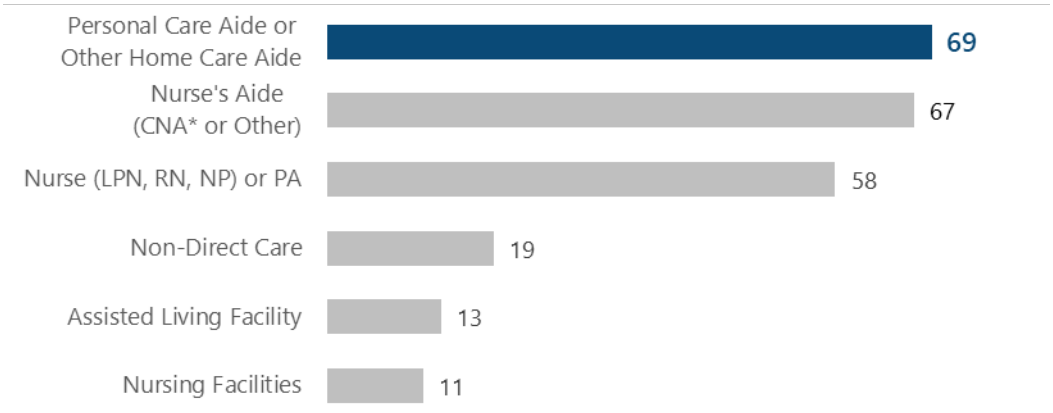



Source: OIG analysis of Annual Statistical Reports for FYs 2017–2021.

## In FY 2021, more convictions for patient abuse or neglect involved personal care aides or other home care aides than any other provider type

In FY 2021, convictions of personal care aides or other home care aides accounted for 69 of the total 325 convictions for patient abuse or neglect (21 percent). Exhibit 6 shows the provider types with the most convictions for patient abuse or neglect.

**Exhibit 6: In FY 2021, convictions of personal care aides or other home care aides for patient abuse or neglect were higher than for any other provider type.**

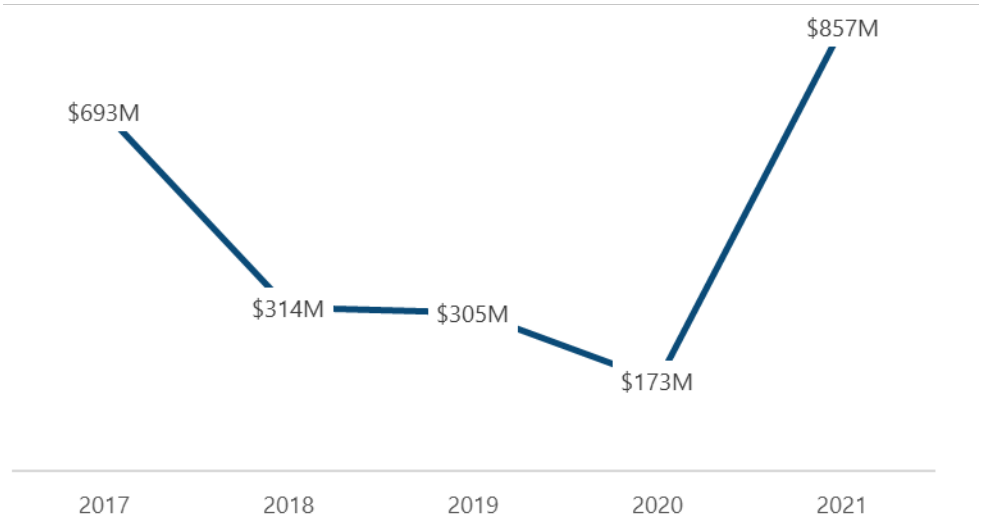



*CNA=Certified Nurse Assistant.
Source: OIG analysis of FY 2021 Annual Statistical Reports.

## MFCUs' reported criminal recoveries significantly increased to $857 million in FY 2021

MFCU criminal recoveries increased substantially from $173 million in FY 2020 to $857 million in FY 2021. Total criminal recoveries varied over the 5-year period ending in FY 2021. The increase in criminal recovery amounts in FY 2021 was primarily the result of cases prosecuted by MFCUs in the States of Virginia and Texas. Those MFCUs reported a combined $714 million in criminal recoveries (approximately 83 percent of the total reported criminal recoveries).

**Exhibit 7: Criminal recoveries varied during FYs 2017 through 2021.**




Source: OIG analysis of Annual Statistical Reports for FYs 2017–2021.

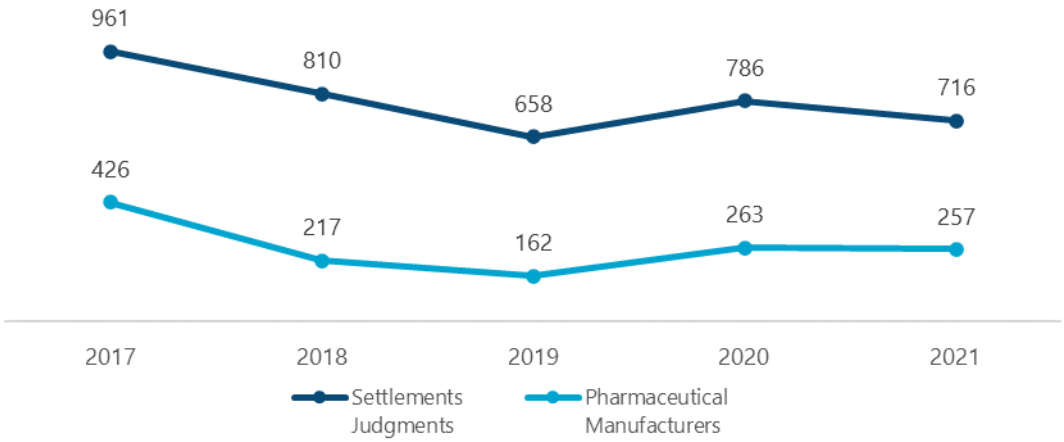
As an example, in one case the Virginia MFCU worked with the U.S. Attorney's Office to prosecute a doctor who performed services that were not medically necessary, performed services without the consent of the patient, and billed for services that were not actually performed. The court ordered the defendant to pay approximately $18.6 million in restitution and sentenced the defendant to 59 years in prison.[15]

The Texas MFCU also reported that several cases resulted in large criminal recoveries in FY 2021. For example, one case that the Unit prosecuted with the U.S. Attorney's Office involved a corporate executive who falsely informed patients with long-term, incurable diseases that they had less than 6 months to live and subsequently enrolled them in hospice programs. The court ordered the defendant to pay $120 million in restitution and sentenced the defendant to 20 years in prison.[16]

## MFCUs reported 716 civil settlements and judgments in FY 2021

The total number of civil settlements and judgments decreased from 786 in FY 2020 to 716 in FY 2021. As shown in Exhibit 8, the total number of civil settlements and judgments decreased from FY 2017 to FY 2019, and then increased in FY 2020. Similar to FY 2020, more civil settlements and judgments involved pharmaceutical manufacturers than any other provider type in FY 2021. The number of pharmaceutical civil settlements and judgments decreased slightly in FY 2021, accounting for 257 of the 716 civil settlements and judgments (36 percent).

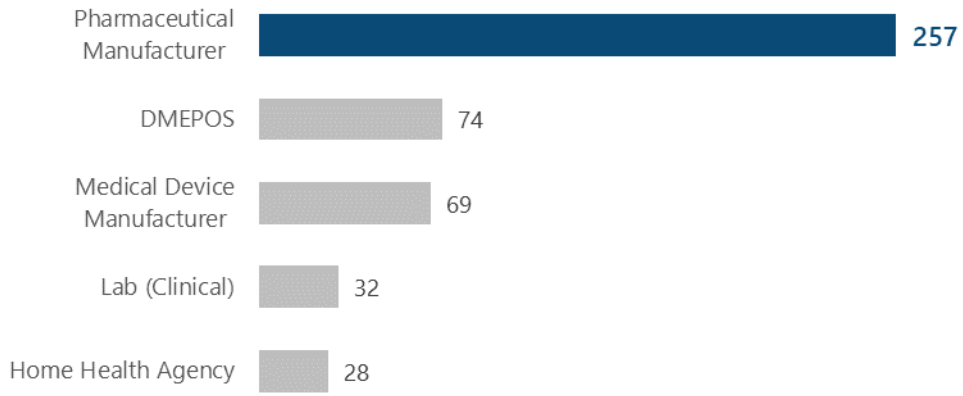
**Exhibit 8: The total number of civil settlements and judgments varied during FYs 2017 through 2021.**




Source: OIG analysis of Annual Statistical Reports for FYs 2017–2021.

Following pharmaceutical manufacturers, suppliers of durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) had the second-highest number of civil settlements and judgments (see Exhibit 9).

**Exhibit 9: Pharmaceutical manufacturers had the highest number of civil settlements and judgments in FY 2021, followed by suppliers of DMEPOS.**

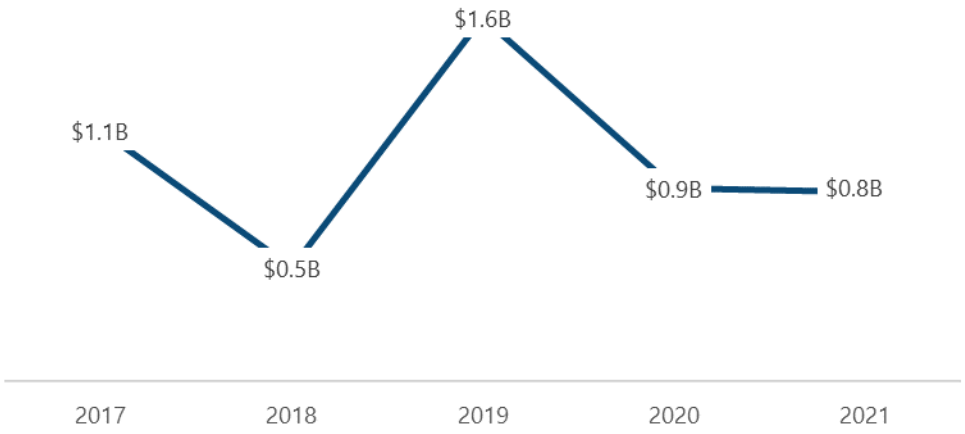



Source: OIG analysis of FY 2021 Annual Statistical Reports.

## MFCUs reported civil recoveries of $826 million in FY 2021

In FY 2021, civil recoveries decreased from $855 million in FY 2020 to $826 million in FY 2021. As shown in Exhibit 10, civil recoveries were substantially higher in FY 2019 relative to other years. In FY 2019, two global cases accounted for a significant portion of the civil recoveries and totaled more than $1.3 billion.

**Exhibit 10: Civil recoveries in FY 2021 were slightly lower than in FY 2020.**




Note: Dollar values are rounded to the nearest tenth.
Source: OIG analysis of Annual Statistical Reports for FYs 2017–2021.

The distribution of global and nonglobal civil recoveries in FY 2021 shifted from the distribution in FY 2020. In FY 2021, approximately 46 percent ($379 million) of the $826 million in civil recoveries derived from nonglobal cases, while in FY 2020 nonglobal recoveries accounted for approximately 26 percent ($218 million) of the total amount of civil recoveries.[17]

**Types of Civil Cases**

A **global case** involves both the Federal Government and a group of States and is coordinated by the National Association of Medicaid Fraud Control Units.

A **nonglobal case** is conducted by a Unit—individually or with other law enforcement partners—and is not coordinated by the National Association of Medicaid Fraud Control Units.

In one global case involving a pharmaceutical manufacturer, 50 States, the District of Columbia, and Puerto Rico partnered with Federal agencies to pursue allegations that the pharmaceutical manufacture promoted the sale and use of an opioid treatment drug to physicians who were improperly prescribing the drug. In addition, the manufacturer allegedly promoted the drug using false and misleading claims and took steps to fraudulently delay the entry of generic forms of the drug. As a result of the investigation, the pharmaceutical manufacturer agreed to pay a total of $300 million—$91 million of which was related to State Medicaid programs.[18]

# CONCLUSION

Most MFCU case outcomes were generally consistent with those of the previous year and MFCUs reported that the ongoing pandemic continued to present operational challenges in FY 2021. However, despite challenges posed by the pandemic, Units continued to carry out their Medicaid program integrity functions. For instance, MFCUs experienced a significant increase in criminal recoveries and nonglobal civil recoveries in FY 2021. Overall, MFCUs' efforts in FY 2021 contributed to total recoveries of $1.7 billion, with an ROI of $5.36 for every $1 spent.

As in past MFCU annual reports, Appendix A describes the many beneficial practices implemented by the MFCUs as identified by OIG during our inspections, which other MFCUs may want to consider for adoption. Beneficial practices from inspection reports published in FY 2021 include the following:

- **Hiring an outreach coordinator to promote the Unit's mission among its stakeholders:** The outreach coordinator's responsibilities are to promote the Louisiana Unit's mission among nursing homes, rehabilitation facilities, local law enforcement agencies, and other State agencies. The outreach coordinator is responsible for: (1) developing supplemental training regarding the Unit's mission and presenting that training to Unit stakeholders; (2) coordinating with the Louisiana Department of Justice on press releases; and (3) acting as a liaison to receive referrals from stakeholders.

- **Sponsoring combined training events with a neighboring Unit:** The Louisiana Unit and a neighboring Unit alternated hosting a combined training for employees of both Units. Training events included case studies, statistical trends, and roundtable discussions.

- **Notifying referral sources of the Unit's decision whether to open formal investigations of incoming referrals:** Through secure electronic channels, the South Carolina Unit communicated with the State Medicaid agency and other referral sources regarding the Unit's decision to accept or decline referrals. In response, State officials lauded the responsiveness of the Unit's communications. The Unit followed a similar practice, where appropriate, regarding referrals received from private citizens.

In addition to identifying beneficial practices to spur continued improvement, OIG annually recognizes the efforts of one MFCU with the Inspector General's Award for Excellence in Fighting Fraud, Waste, and Abuse. In 2022, the Ohio MFCU received this award for its high number of case outcomes across a mix of case types, excellent partnership with OIG and other Federal and State partners, and regular contributions to the larger MFCU community.

# APPENDICES

## Appendix A: Beneficial Practices Described in Office of Inspector General Inspection Reports

This appendix summarizes MFCU practices that OIG has highlighted as being beneficial to Unit operations. Other Units should consider whether adopting similar practices in their States may yield similar benefits.

All of OIG's MFCU reports are available at https://oig.hhs.gov/reports-and-publications/oei/m.asp#mfcu.

| STANDARD 4 | A Unit takes steps to maintain an adequate volume and quality of referrals from the State Medicaid agency and other sources. |
|---|---|
| **Arizona**<br>OEI-07-15-00280<br>December 2015 | **Engaging with Medicaid partners and providing guidance to ensure quality referrals:** MFCU staff attended quarterly meetings with the State Medicaid agency and Managed Care Organizations (MCOs). These meetings provided guidance to MCOs about what constitutes a quality referral and the types of referrals that will result in the Unit opening a case for investigation. |
| **California**<br>OEI-09-15-00070<br>February 2016 | **Providing training to MCO representatives to increase fraud referrals:** The Unit provided quarterly training for MCO representatives that resulted in increased fraud referrals from MCOs to the Unit. |
| **Kansas**<br>OEI-12-18-00210<br>July 2019 | **Supplementing reviews of referrals of patient abuse or neglect and enhancing referral coordination:** The Unit's nurse investigator reviewed complaints about patient abuse or neglect that had been previously closed by the State's survey and certification agency to determine whether the complaints warranted further investigation. In addition, the nurse investigator arranged for the Unit to receive complaints of patient abuse or neglect at the same time the State's survey and certification agency sent the complaints to local law enforcement agencies. After reviewing the complaints, the nurse investigator contacted the law enforcement agencies to help determine whether further investigation by those agencies or the Unit was warranted. |

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# Beneficial Practices Described in Office of Inspector General Inspection Reports

| STANDARD 4 | A Unit takes steps to maintain an adequate volume and quality of referrals from the State Medicaid agency and other sources. |
|---|---|
| **Kentucky**<br>OEI-06-17-00030<br>September 2017 | **Engaging with Medicaid partners to encourage fraud referrals and enhance collaboration:** The Unit regularly met with the State Medicaid agency, other State agencies, and MCOs to encourage fraud referrals and improve communication and collaboration. The results included improved quality, completeness, and timeliness of fraud referrals. |
| **Louisiana**<br>OEI-12-20-00650<br>August 2021 | **Hiring an outreach coordinator to promote the Unit's mission among its stakeholders:** The outreach coordinator's responsibilities are to promote the Unit's mission among nursing homes, rehabilitation facilities, local law enforcement agencies, and other State agencies. The outreach coordinator is responsible for: (1) developing supplemental training regarding the Unit's mission and presenting that training to Unit stakeholders; (2) coordinating with the Louisiana Department of Justice on press releases; and (3) acting as a liaison to receive referrals from stakeholders. |
| **Michigan**<br>OEI-09-13-00070<br>January 2014 | **Co-developing a streamlined process for referring patient abuse or neglect cases with a State licensing agency:** Unit management and the Michigan Department of Licensing and Regulatory Affairs developed a streamlined process for referring cases of patient abuse or neglect. This process helped to ensure that referrals from the Department of Licensing and Regulatory Affairs were consistent with the Unit's statutory functions, thereby promoting Unit efficiency. |
| **Montana**<br>OEI-12-19-00170<br>March 2020 | **Participating in an Elder Abuse Task Force to provide training to law enforcement and first responders:** To encourage referrals, the Unit regularly trained cadets at the Montana Law Enforcement Academy and trained other law enforcement and first responder personnel through its participation in the Montana Elder Abuse Task Force. The training focused on the Unit's mission and how the Unit can assist with crimes that law enforcement personnel and first responders may encounter. |
| **New York**<br>OEI-12-17-00340<br>September 2018 | **Establishing data analytics working groups to improve the Unit's ability to data mine to find potential cases:** The Unit established data analytics working groups to provide guidance, training, and an assessment of the Unit's data mining efforts. The groups include the Data Analytics Tool Group, the Data Sources Groups, the Fraud and Abuse Group, and the Governance Group. |

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# Beneficial Practices Described in Office of Inspector General Inspection Reports

| STANDARD 4 | A Unit takes steps to maintain an adequate volume and quality of referrals from the State Medicaid agency and other sources. |
|---|---|
| **Ohio**<br>OEI-07-14-00290<br>April 2015 | **Establishing a program integrity group composed of personnel from other Medicaid program integrity entities:** To improve the quantity and quality of referrals, the Unit established the Ohio Program Integrity Group, which combines the knowledge and resources of all of the State agencies that are responsible for Medicaid program integrity. In addition, the Unit spearheaded the Managed Care Program Integrity Group, which meets quarterly. |
| **Oregon**<br>OEI-09-16-00200<br>December 2016 | **Establishing an outreach group to increase referrals of patient abuse or neglect cases from broader areas of the State:** The Unit created a group that provided outreach to help increase referrals of patient abuse or neglect and facilitate Unit work in broader areas of the State. This group provided outreach about the Unit's mission and legal authorities by establishing Unit liaisons for each county in Oregon and attending multidisciplinary team meetings at the county level. |
| **South Carolina**<br>OEI-12-20-00610<br>September 2021 | **Notifying referral sources of the Unit's decision whether to open formal investigations of incoming referrals:** Through secure electronic channels, the Unit communicated with the State Medicaid agency and other referral sources regarding the Unit's decision to accept or decline referrals. In response, State officials lauded the responsiveness of the Unit's communications. The Unit followed a similar practice, where appropriate, regarding referrals received from private citizens. |
| **Washington**<br>OEI-09-16-00010<br>September 2016 | **Revising the Unit's MOU and contracts with State Medicaid partners to ensure the receipt of fraud referrals from MCOs:** The Unit worked with the State Medicaid agency to revise both the memorandum of understanding between the Unit and the agency and the agency's contracts with MCOs to ensure that the Unit received copies of all fraud referrals from MCOs. |

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## Beneficial Practices Described in Office of Inspector General Inspection Reports

| STANDARD 5 | A Unit takes steps to maintain a continuous case flow and to complete cases in an appropriate timeframe based on the complexity of the cases. |
|---|---|
| **Arkansas**<br>OEI-12-19-00450<br>September 2020 | **Designating staff as subject matter experts:** The Unit director designated Unit investigators as subject matter experts on specific, common provider types for efficient assignment and improved investigation of cases. |
| **New York**<br>OEI-12-17-00340<br>September 2018 | **Developing a strategic plan to optimize and prioritize resources:** The Unit developed a written strategic plan to help Unit staff make informed decisions regarding the optimal use of resources. The plan provides guidance to prioritize certain types of investigations, such as criminal investigations that are related to systematic patient abuse and neglect, fraud allegations against managed care companies, and fraud investigations of large providers. The plan also establishes a priority for false claims investigations with higher potential for monetary recoveries or risk of patient harm. |
| **Ohio**<br>OEI-07-14-00290<br>April 2015 | **Establishing a technical support team:** The Unit employed a special projects team to provide technical support to all of its investigative teams. |
| **STANDARD 7** | **A Unit maintains case files in an effective manner and develops a case management system that allows efficient access to case information and other performance data.** |
| **Massachusetts**<br>OEI-07-15-00390<br>June 2016 | **Using an intranet system to streamline case management:** The Unit used its intranet system to streamline its administrative processes, such as periodic supervisory reviews of case files, and to automatically prompt Unit staff to meet specific milestones and document activity in casefiles, as appropriate. The Unit found that this improved case management and the effectiveness of investigations and prosecutions. |
| **STANDARD 8** | **A Unit cooperates with OIG and other Federal agencies in the investigation and prosecution of Medicaid and other health care fraud.** |
| **Alaska**<br>OEI-09-16-00430<br>September 2017 | **Improving communication with stakeholders to increase joint cases with Federal partners:** Unit stakeholders reported that the MFCU Director made efforts to improve communication with agencies such as OIG and the State Medicaid agency. As a result, the number of joint OIG-MFCU cases tripled from FY 2012 to FY 2015. Also, the Unit collaborated with Federal and State partners to investigate allegations of PCS fraud that led to convictions and significant monetary recoveries. |

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## Beneficial Practices Described in Office of Inspector General Inspection Reports

| STANDARD 8 | A Unit cooperates with OIG and other Federal agencies in the investigation and prosecution of Medicaid and other health care fraud. |
|---|---|
| **California**<br>OEI-09-15-00070<br>February 2016 | **Co-locating Unit and OIG staff to facilitate referrals and communication:** Unit investigators have workstations at an OIG field office—this facilitated the mutual referral of cases and improved communication and cooperation with OIG on joint cases. |
| **Florida**<br>OEI-07-15-00340<br>June 2016 | **Co-locating Unit and OIG staff to improve cooperation on joint cases:** Unit staff have workstations at an OIG field office—this improved communication and cooperation with OIG on joint cases, including fraud cases generated through the U.S. Department of Justice (DOJ) Medicare Strike Force. |
| **Idaho**<br>OEI-12-18-00320<br>August 2019 | **Monitoring media sources to report convictions of providers to OIG:** The Unit's legal secretary monitored media sources for convictions of patient abuse and neglect cases. Although the convictions were a result of investigations by local authorities and not the Unit, the legal secretary reviewed the conviction information and submitted the police reports and court documents to OIG. As a result of those efforts, OIG has excluded seven individuals from federally funded health programs. |
| **Virginia**<br>OEI-07-15-00290<br>August 2016 | **Developing partnerships with agencies composed of diverse professional disciplines:** The Unit's partnerships with the Food and Drug Administration, the Internal Revenue Service, and the Social Security Administration led to successful Medicaid fraud prosecutions, particularly with regard to pharmaceutical manufacturers, and increased Unit recoveries. |
| **STANDARD 9** | **A Unit makes statutory or programmatic recommendations, when warranted, to the State government.** |
| **Alaska**<br>OEI-09-16-00430<br>September 2017 | **Making program integrity recommendations to fight PCS fraud:** The Unit made program integrity recommendations to safeguard against PCS provider fraud, and worked with the State Medicaid agency to implement these recommendations. |
| **Minnesota**<br>OEI-06-13-00200<br>March 2014 | **Developing legislation to protect Medicaid beneficiaries from abuse:** The Unit helped develop legislation to protect Medicaid beneficiaries by strengthening background checks for individuals who serve as guardians and conservators of Medicaid beneficiaries. |

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## Beneficial Practices Described in Office of Inspector General Inspection Reports

| STANDARD 9 | A Unit makes statutory or programmatic recommendations, when warranted, to the State government. |
|---|---|
| **Washington**<br>OEI-09-16-00010<br>September 2016 | **Using information from a case closure form to make program integrity recommendations to State agencies:** The Unit used a case closure form to make numerous program integrity recommendations to State agencies and tracked the responses to these recommendations in a database. |
| **STANDARD 12** | **A Unit conducts training that aids in the mission of the Unit.** |
| **Kentucky**<br>OEI-06-17-00030<br>September 2017 | **Implementing a mentoring program to develop Unit attorneys:** The Unit created an executive advisor position to help Unit attorneys develop litigation skills. The executive advisor also mentored new attorneys and served as a cochair on Unit prosecutions. |
| **Louisiana**<br>OEI-12-20-00650<br>August 2021 | **Sponsoring combined training events with a neighboring Unit:** The Unit and a neighboring Unit alternated hosting a combined training for employees of both Units. Training events included case studies, statistical trends, and roundtable discussions. |
| **Maryland**<br>OEI-07-16-00140<br>September 2016 | **Developing an internal boot camp to train new staff:** The Unit developed an internal "boot camp" training program that helped new staff develop a full understanding of the Unit's work. Experienced MFCU staff gave 1- to 2-hour lectures on topics such as civil and criminal investigation procedures, interviewing techniques, and understanding medical codes. |
| **Missouri**<br>OEI-12-18-00490<br>January 2020 | **Creating in-house training videos:** The Unit's Chief Auditor created in-house training videos for Unit investigators and attorneys. The videos contained step-by-step tutorials for creating and using investigative and trial tools. |
| **New York**<br>OEI-12-17-00340<br>September 2018 | **Using a moot-court approach for training attorneys:** The Unit used moot-court training to train Unit attorneys. This training helped the Unit attorneys practice opening arguments to prepare for trial. |

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# Beneficial Practices Described in Office of Inspector General Inspection Reports

| STANDARD 12 | A Unit conducts training that aids in the mission of the Unit. |
|---|---|
| **North Carolina**<br>OEI-07-16-00070<br>September 2016 | **Partnering with another State agency to establish an academy for financial investigators:** The Unit partnered with another State agency to create the North Carolina Financial Investigators Academy. The academy provided instruction to financial investigators on topics such as elements of criminal law, search and seizure procedures, interviewing, and testifying. The Unit required all of its newly hired financial investigators to attend the academy, regardless of previous experience. |
| **Wyoming**<br>OEI-09-16-00530<br>September 2017 | **Using staff from another MFCU to train a new investigator:** The Unit used a MFCU investigator from a neighboring State to help train its newly hired investigator. As part of the training, the newly hired investigator observed work on active Medicaid fraud cases and met with the MFCU's management and attorneys from the neighboring State to discuss progress. This was a cost-effective training option for the Unit and furthered a positive working relationship with the neighboring MFCU. |

| OTHER | Beneficial practices not relating directly to a specific performance standard. |
|---|---|
| **South Dakota**<br>OEI-07-16-00170<br>September 2016 | **Having providers teach their peers about implications of Medicaid fraud:** The Unit used providers who had previously been investigated for Medicaid fraud to educate their peers. These providers gave presentations alongside Unit staff at training conferences—this helped to highlight Medicaid billing issues and the implications of Medicaid fraud. |
| **Virginia**<br>OEI-07-15-00290<br>August 2016 | **Using specialty software to better analyze, maintain, and share documentary evidence:** The Unit used specialty software designed to read the text in a document, analyze it for keywords, and systematically code it according to criteria established by an analyst. This improved the Unit's abilities to process and track evidence collected during investigations and to share that evidence with Federal and State partners working on joint cases. |

# Appendix B: Medicaid Fraud Control Unit Case Outcomes and Open Investigations by Provider Type and Case Type for Fiscal Year 2021

**Exhibit B1: Number of convictions, settlements and judgments, and recoveries by provider type and case type**

| PROVIDER TYPE | CRIMINAL | | CIVIL | |
|---|---|---|---|---|
| | Convictions | Amount of Recoveries | Settlements and Judgments | Amount of Recoveries |
| **Patient Abuse or Neglect** | | | | |
| Assisted Living Facility | 13 | $60,654 | 1 | $1,000 |
| Developmental Disability Facility (Residential) | 10 | $129,976 | 1 | $128,078 |
| Hospice | 0 | $0 | 0 | $0 |
| Nondirect Care Staff | 19 | $181,736 | 0 | $0 |
| Nurse Aide (CNA or Other) | 67 | $72,940 | 0 | $0 |
| Nursing Facilities | 11 | $43,018 | 10 | $478,976 |
| Nurse (LPN, RN, or NP) or Physician Assistant | 58 | $162,175 | 0 | $0 |
| Personal Care Aide or Other Home Care Aide | 69 | $175,643 | 0 | $0 |
| Other | 78 | $1,200,312 | 1 | $354 |
| **Fraud—Facility-Based Medicaid Providers and Programs—Inpatient and/or Residential** | | | | |
| Assisted Living Facility | 2 | $495 | 2 | $187,895 |
| Developmental Disability Facility (Residential) | 1 | $376,695 | 1 | $90,175 |
| Hospice | 6 | $85,327,396 | 1 | $0 |
| Hospital | 4 | $42,717,587 | 13 | $33,816,634 |
| Inpatient Psychiatric Services for Individuals Under Age 21 | 1 | $25,046 | 0 | $0 |
| Nursing Facility | 0 | $0 | 3 | $438,176 |
| Other Inpatient Mental Health Facility | 0 | $0 | 2 | $3,220,210 |
| Other Long-Term Care Facility | 3 | $21,272 | 1 | $34,876 |

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**Number of convictions, settlements and judgments, and recoveries by provider type and case type (continued)**

| PROVIDER TYPE | CRIMINAL | | CIVIL | |
|---|---|---|---|---|
| | Convictions | Amount of Recoveries | Settlements and Judgments | Amount of Recoveries |
| **Fraud—Facility-Based Medicaid Providers and Programs—Outpatient and/or Day Services** | | | | |
| Adult Day Center | 0 | $0 | 3 | $1,072,335 |
| Ambulatory Surgical Center | 1 | $1,185,800 | 0 | $0 |
| Developmental Disability Facility (Nonresidential) | 3 | $21,360,424 | 2 | $170,980 |
| Dialysis Center | 0 | $0 | 0 | $0 |
| Mental Health Facility (Nonresidential) | 25 | $15,438,603 | 13 | $20,705,608 |
| Substance Abuse Treatment Center | 8 | $18,050,847 | 8 | $7,078,394 |
| Other Facility (Nonresidential) | 3 | $4,952,295 | 2 | $2,577,584 |
| **Fraud—Licensed Practitioners** | | | | |
| Audiologist | 0 | $0 | 2 | $161,050 |
| Chiropractor | 2 | $31,337 | 1 | $1,559,930 |
| Clinical Social Worker | 4 | $288,492 | 4 | $314,376 |
| Dental Hygienist | 0 | $0 | 0 | $0 |
| Dentist | 11 | $3,338,577 | 10 | $528,864 |
| Nurse (LPN, RN, or Other Licensed) | 83 | $2,158,802 | 2 | $13,391 |
| Nurse Practitioner | 7 | $52,959,666 | 0 | $0 |
| Optometrist | 0 | $0 | 1 | $13,967 |
| Pharmacist | 1 | $0 | 0 | $12,928 |
| Physician Assistant | 3 | $0 | 1 | $50,000 |
| Podiatrist | 3 | $30,780 | 3 | $110,887 |
| Psychologist | 5 | $1,372,277 | 1 | $45,000 |
| Therapist (Non-Mental Health, PT, ST, OT, or RT) | 5 | $3,314,337 | 0 | $0 |
| Other Practitioner | 9 | $798,673 | 8 | $1,583,623 |
| **Fraud—Medical Services** | | | | |
| Ambulance | 4 | $353,285 | 1 | $34,641 |
| Billing Services | 1 | $6,121,756 | 2 | $22,501 |

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**Number of convictions, settlements and judgments, and recoveries by provider type and case type (continued)**

| PROVIDER TYPE | CRIMINAL | | CIVIL | |
|---|---|---|---|---|
| | Convictions | Amount of Recoveries | Settlements and Judgments | Amount of Recoveries |
| **Fraud—Medical Services (continued)** | | | | |
| Home Health Agency | 39 | $175,626,026 | 28 | $18,412,408 |
| Lab (Clinical) | 4 | $4,153,597 | 32 | $22,657,547 |
| Lab (Radiology and Physiology) | 2 | $0 | 2 | $6,681,722 |
| Lab (Other) | 0 | $0 | 11 | $2,742,327 |
| Medical Device Manufacturer | 0 | $0 | 69 | $11,142,557 |
| Pain Management Clinic | 0 | $717 | 3 | $3,351,664 |
| Personal Care Services Agency | 20 | $5,212,285 | 4 | $626,487 |
| Pharmaceutical Manufacturer | 3 | $301,180,450 | 257 | $408,384,612 |
| Pharmacy (Hospital) | 0 | $0 | 0 | $11,192,821 |
| Pharmacy (Institutional Wholesale) | 1 | $903,346 | 5 | $2,366,360 |
| Pharmacy (Retail) | 14 | $4,513,232 | 23 | $4,006,228 |
| Suppliers of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) | 7 | $13,505,016 | 74 | $212,325,368 |
| Transportation (Nonemergency) | 17 | $111,661 | 7 | $6,791,169 |
| Other | 6 | $7,731,296 | 18 | $5,857,413 |
| **Fraud—Other Individual Providers** | | | | |
| Emergency Medical Technician or Paramedic | 1 | $4,429 | 0 | $0 |
| Nurse's Aide (CNA or Other) | 28 | $1,284,325 | 0 | $0 |
| Optician | 0 | $0 | 0 | $0 |
| Personal Care Services Attendant | 309 | $6,448,057 | 13 | $58,238 |
| Pharmacy Technician | 4 | $190,039 | 0 | $0 |
| Unlicensed Counselor (Mental Health) | 12 | $3,991,040 | 2 | $700,000 |
| Unlicensed Therapist (Non-Mental Health) | 2 | $6,694 | 1 | $1,061 |
| Other | 53 | $26,808,477 | 3 | $24,280 |

**continued on the next page**

**Number of convictions, settlements and judgments, and recoveries by provider type and case type (continued)**

| PROVIDER TYPE | CRIMINAL | | CIVIL | |
|---|---|---|---|---|
| | Convictions | Amount of Recoveries | Settlements and Judgments | Amount of Recoveries |
| **Fraud—Physicians (MD/DO) by Medical Specialty** | | | | |
| Allergist/Immunologist | 1 | $75,402 | 1 | $2,149,256 |
| Cardiologist | 0 | $0 | 2 | $127,356 |
| Emergency Medicine | 1 | $18,198 | 2 | $197,703 |
| Family Practice | 22 | $8,388,888 | 9 | $2,504,848 |
| Geriatrician | 0 | $0 | 0 | $0 |
| Internal Medicine | 4 | $81,750 | 7 | $5,149,946 |
| Neurologist | 0 | $0 | 2 | $138,318 |
| Obstetrician/Gynecologist | 2 | $20,844,613 | 3 | $281,649 |
| Ophthalmologist | 2 | $763 | 0 | $0 |
| Pediatrician | 0 | $0 | 6 | $1,583,148 |
| Physical Medicine and Rehabilitation | 2 | $234,325 | 0 | $0 |
| Psychiatrist | 4 | $4,667,727 | 1 | $244,303 |
| Radiologist | 0 | $0 | 1 | $1,490,515 |
| Surgeon | 1 | $4,973,432 | 3 | $170,815 |
| Urologist | 0 | $0 | 0 | $0 |
| Other MD/DO | 15 | $3,221,406 | 9 | $3,033,316 |
| **Fraud—Program Related** | | | | |
| Managed Care Organization (MCO) | 0 | $0 | 14 | $6,573,536 |
| Medicaid Program Administration | 0 | $0 | 1 | $10,600,000 |
| Other | 9 | $206,091 | 3 | $163,774 |
| **TOTAL** | **1,105** | **$856,634,176** | **716** | **$826,183,179** |

**Exhibit B2: Number of open investigations at the end of FY 2021 by provider type and case type**

| PROVIDER TYPE | OPEN INVESTIGATIONS | | |
|---|---|---|---|
| | Criminal | Civil | Total |
| **Patient Abuse or Neglect** | | | |
| Assisted Living Facility | 210 | 7 | 217 |
| Developmental Disability Facility (Residential) | 224 | 4 | 228 |
| Hospice | 8 | 0 | 8 |
| Nondirect Care Staff | 131 | 0 | 131 |
| Nurse Aide (CNA or Other) | 354 | 3 | 357 |
| Nursing Facilities | 972 | 68 | 1,040 |
| Nurse (RN, LPN, or NP) or Physician Assistant | 298 | 2 | 300 |
| Personal Care Aide or Other Home Care Aide | 272 | 0 | 272 |
| Other | 816 | 6 | 822 |
| **Fraud—Facility-Based Medicaid Providers and Programs—Inpatient and/or Residential** | | | |
| Assisted Living Facility | 38 | 12 | 50 |
| Developmental Disability Facility (Residential) | 34 | 7 | 41 |
| Hospice | 69 | 31 | 100 |
| Hospital | 70 | 219 | 289 |
| Inpatient Psychiatric Services for Individuals Under Age 21 | 8 | 9 | 17 |
| Nursing Facility | 120 | 201 | 321 |
| Other Inpatient Mental Health Facility | 17 | 26 | 43 |
| Other Long-Term Care Facility | 12 | 16 | 28 |
| **Fraud—Facility-Based Medicaid Providers and Programs—Outpatient and/or Day Services** | | | |
| Adult Day Center | 83 | 3 | 86 |
| Ambulatory Surgical Center | 3 | 11 | 14 |
| Developmental Disability Facility (Nonresidential) | 33 | 15 | 48 |
| Dialysis Center | 0 | 61 | 61 |
| Mental Health Facility (Nonresidential) | 369 | 66 | 435 |
| Substance Abuse Treatment Center | 155 | 52 | 207 |
| Other Facility (Nonresidential) | 85 | 79 | 164 |

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**Exhibit B2: Number of open investigations at the end of FY 2021 by provider type and case type (continued)**

| PROVIDER TYPE | OPEN INVESTIGATIONS | | |
|---|---|---|---|
| | Criminal | Civil | Total |
| **Fraud—Licensed Practitioners** | | | |
| Audiologist | 7 | 3 | 10 |
| Chiropractor | 23 | 4 | 27 |
| Clinical Social Worker | 70 | 3 | 73 |
| Dental Hygienist | 2 | 2 | 4 |
| Dentist | 263 | 67 | 330 |
| Nurse (LPN, RN, or Other Licensed) | 485 | 8 | 493 |
| Nurse Practitioner | 72 | 10 | 82 |
| Optometrist | 20 | 12 | 32 |
| Pharmacist | 60 | 23 | 83 |
| Physician Assistant | 27 | 0 | 27 |
| Podiatrist | 23 | 13 | 36 |
| Psychologist | 78 | 15 | 93 |
| Therapist (Non-Mental Health, PT, ST, OT, or RT) | 95 | 31 | 126 |
| Other Practitioner | 121 | 17 | 138 |
| **Fraud—Medical Services** | | | |
| Ambulance | 53 | 44 | 97 |
| Billing Services | 52 | 88 | 140 |
| Home Health Agency | 558 | 104 | 662 |
| Lab (Clinical) | 112 | 538 | 650 |
| Lab (Radiology and Physiology) | 27 | 54 | 81 |
| Lab (Other) | 36 | 191 | 227 |
| Medical Device Manufacturer | 3 | 673 | 676 |
| Pain Management Clinic | 54 | 15 | 69 |
| Personal Care Services Agency | 171 | 11 | 182 |
| Pharmaceutical Manufacturer | 65 | 2,354 | 2,419 |
| Pharmacy (Hospital) | 1 | 3 | 4 |
| Pharmacy (Institutional Wholesale) | 10 | 207 | 217 |
| Pharmacy (Retail) | 353 | 916 | 1,269 |
| Transportation (Nonemergency) | 260 | 24 | 284 |
| Suppliers of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) | 167 | 552 | 719 |
| Other | 79 | 312 | 391 |

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**Exhibit B2: Number of open investigations at the end of FY 2021 by provider type and case type (continued)**

| PROVIDER TYPE | OPEN INVESTIGATIONS | | |
|---|---|---|---|
| | Criminal | Civil | Total |
| **Fraud—Other Individual Providers** | | | |
| Emergency Medical Technician or Paramedic | 0 | 1 | 1 |
| Nurse Aide (CNA or Other) | 73 | 0 | 73 |
| Optician | 1 | 4 | 5 |
| Personal Care Services Attendant | 1,693 | 22 | 1,715 |
| Pharmacy Technician | 16 | 0 | 16 |
| Unlicensed Counselor (Mental Health) | 71 | 4 | 75 |
| Unlicensed Therapist (Non-Mental Health) | 11 | 1 | 12 |
| Other | 405 | 47 | 452 |
| **Fraud—Physicians (MD/DO) by Medical Specialty** | | | |
| Allergist/Immunologist | 7 | 2 | 9 |
| Cardiologist | 16 | 17 | 33 |
| Emergency Medicine | 22 | 34 | 56 |
| Family Practice | 226 | 40 | 266 |
| Geriatrician | 3 | 1 | 4 |
| Internal Medicine | 134 | 33 | 167 |
| Neurologist | 21 | 4 | 25 |
| Obstetrician/Gynecologist | 29 | 8 | 37 |
| Ophthalmologist | 18 | 15 | 33 |
| Pediatrician | 46 | 9 | 55 |
| Physical Medicine and Rehabilitation | 23 | 7 | 30 |
| Psychiatrist | 68 | 14 | 82 |
| Radiologist | 7 | 18 | 25 |
| Surgeon | 36 | 16 | 52 |
| Urologist | 4 | 3 | 7 |
| Other MD/DO | 185 | 88 | 273 |
| **Fraud—Program Related** | | | |
| Managed Care Organization (MCO) | 18 | 81 | 99 |
| Medicaid Program Administration | 13 | 12 | 25 |
| Other | 145 | 123 | 268 |
| **Total** | **11,019** | **7,796** | **18,815** |

# ACKNOWLEDGMENTS AND CONTACT

## Acknowledgments

Linda Min served as the team leader for this study, and Matt DeFraga served as the lead analyst. Office of Evaluation and Inspections (OEI) staff who provided support include Susan Burbach, Jordan Clementi Gerken, Robert Gibbons, Christina Lester, Petra Nealy, Keith Peters, and China Tantameng.

We would also like to acknowledge the contributions of other Office of Inspector General (OIG) staff, including Alexis Crowley, Lonie Kim, Jessica Swanstrom, and Sara Swisher.

This report was prepared under the direction of Blaine Collins, Regional Inspector General for Evaluation and Inspections in the San Francisco regional office, and Abby Amoroso and Michael Henry, Deputy Regional Inspectors General, in consultation with Richard Stern, Director of the Medicaid Fraud Policy and Oversight Division.

## Contact

To obtain additional information concerning this report, contact the Office of Public Affairs at Public.Affairs@oig.hhs.gov. OIG reports and other information can be found on the OIG website at oig.hhs.gov.

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# ENDNOTES

[1] Social Security Act (SSA) § 1903(q)(3)–(4). Regulations at 42 CFR § 1007.11(b)(1) add that a Unit's responsibilities may include reviewing complaints of misappropriation of patients' private funds in residential health care facilities. Units may investigate patient abuse and neglect incidents occurring in (1) health care facilities that receive Medicaid payments; and (2) board and care facilities, which are residential settings that receive payments on behalf of two or more unrelated adults who reside in the facility and receive nursing care services or a substantial amount of personal care services (PCS). SSA § 1903(q)(4). As of December 27, 2020, MFCUs may also receive Federal financial participation to investigate and prosecute abuse or neglect of Medicaid beneficiaries in a noninstitutional or other setting. Consolidated Appropriations Act, 2021, P.L. No. 116-260, Division CC § 207.

[2] SSA § 1902(a)(61).

[3] The SSA authorizes the Secretary of HHS to award grants (SSA § 1903(a)(6)) and to certify and annually recertify Units (SSA § 1903(q)). The Secretary delegated this authority to OIG. See also 42 CFR § 1007.15. Units must meet several requirements established by the SSA and Federal regulations. For example, each Unit must (1) be a single, identifiable entity of State Government, separate and distinct from the State Medicaid agency (SSA § 1903(q)(2); 42 CFR §§ 1007.5(a) and 1007.9(a)); (2) employ an interdisciplinary staff that consists of at least an investigator, an auditor, and an attorney (SSA § 1903(q)(6); 42 CFR § 1007.13); (3) develop a formal agreement, such as a memorandum of understanding, describing the Unit's relationship with the State Medicaid agency (42 CFR § 1007.9(d)); and (4) have either statewide authority to prosecute cases or formal procedures to refer suspected criminal violations to an agency with such authority (SSA § 1903(q)(1); 42 CFR § 1007.7).

[4] The territories of American Samoa, Guam, and the Northern Mariana Islands have not established Units. Puerto Rico and the U.S. Virgin Islands received certification to operate in FY 2019 and North Dakota received certification to operate in FY 2020.

[5] SSA § 1903(a)(6). For a Unit's first 3 years of operation, the Federal Government contributes 90 percent of funding and the State contributes 10 percent. Thereafter, the Federal Government contributes 75 percent and the State contributes 25 percent.

[6] OIG's analysis of MFCU Annual Statistical Reports from FY 2021.

[7] 42 CFR § 1007.20. MFCUs must receive approval from OIG to conduct data mining. As of January 2022, 21 MFCUs were approved for data mining. OIG, *Data Mining Applications*, https://oig.hhs.gov/fraud/medicaid-fraud-control-units-mfcu/data-mining.asp. Accessed on January 27, 2022.

[8] SSA § 1128; 42 U.S.C. § 1320a-7. See also OIG, *Background Information*, https://oig.hhs.gov/exclusions/background.asp. Accessed on January 27, 2022.

[9] OIG provides information on MFCU operations and outcomes but does not direct or encourage MFCUs to investigate or prosecute a specific number of cases. MFCU investigators and prosecutors should apply professional judgment and discretion in determining what criminal and civil cases to pursue.

[10] 42 CFR § 1007.15.

[11] MFCU performance standards are published at 77 Fed. Reg. 32645 (June 1, 2012).

[12] To calculate the ROI for MFCUs, we first calculated the total recoveries by adding the $857 million in criminal case recoveries to the $826 million in civil case recoveries. We then divided the $1.7 billion in total recoveries by the total MFCU grant expenditures of $314 million, resulting in the overall ROI of $5.36 for every $1 spent.

[13] OIG, *LEIE Downloadable Databases*, https://oig.hhs.gov/exclusions/exclusions_list.asp. Accessed on January 27, 2022. The list of OIG-excluded individuals or entities can be found on the OIG website.

[14] OIG, *State Fraud Policy Transmittal 2020-3*, *MFCU Authority to Receive Federal Funding to Investigate and Prosecute Diversion and Misuse of Pharmaceuticals*, October 28, 2020. This transmittal describes the situations in which Units are eligible to receive Federal financial participation to investigate and prosecute drug diversion cases.

[15] United States Department of Justice, *Former Chesapeake OB/GYN Sentenced to 59 Years in Prison*, May 18, 2021. https://www.justice.gov/usao-edva/pr/former-chesapeake-obgyn-sentenced-59-years-prison. Accessed on March 1, 2022. Office of the Attorney General of Virginia, *Medicaid Fraud Control Unit Annual Report 2020-2021*. https://www.oag.state.va.us/34-resource/mfcu/181-mfcu-publications. Accessed on March 1, 2022.

[16] United States Department of Justice, *Owner of Texas Chain of Hospice Companies Sentenced for $150 Million Health Care Fraud and Money Laundering Scheme*, December 16, 2020. https://www.justice.gov/opa/pr/owner-texas-chain-hospice-companies-sentenced-150-million-health-care-fraud-and-money. Accessed on February 9, 2022.

[17] To calculate the percentages for civil global and nonglobal recoveries, we used the total civil recoveries of $826,183,179 and rounded the dollar value to the nearest tenth. Global cases accounted for $447.5 million (54 percent) in FY 2021.

[18] National Association of Medicaid Fraud Control Units, *Indivior plc and Indivior Inc. Pay $300 Million to Settle Allegations of Improper Marketing and Sale of Suboxone*, April 27, 2021. https://www.namfcu.net/assets/files/Indivior%20Press%20Release%20-%20NAMFCU.pdf. Accessed on January 27, 2022.