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# A Performance Audit of the Utah Office of the Inspector General

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Utah Legislative Auditor General  
Report to the Audit Subcommittee  
February 27, 2018



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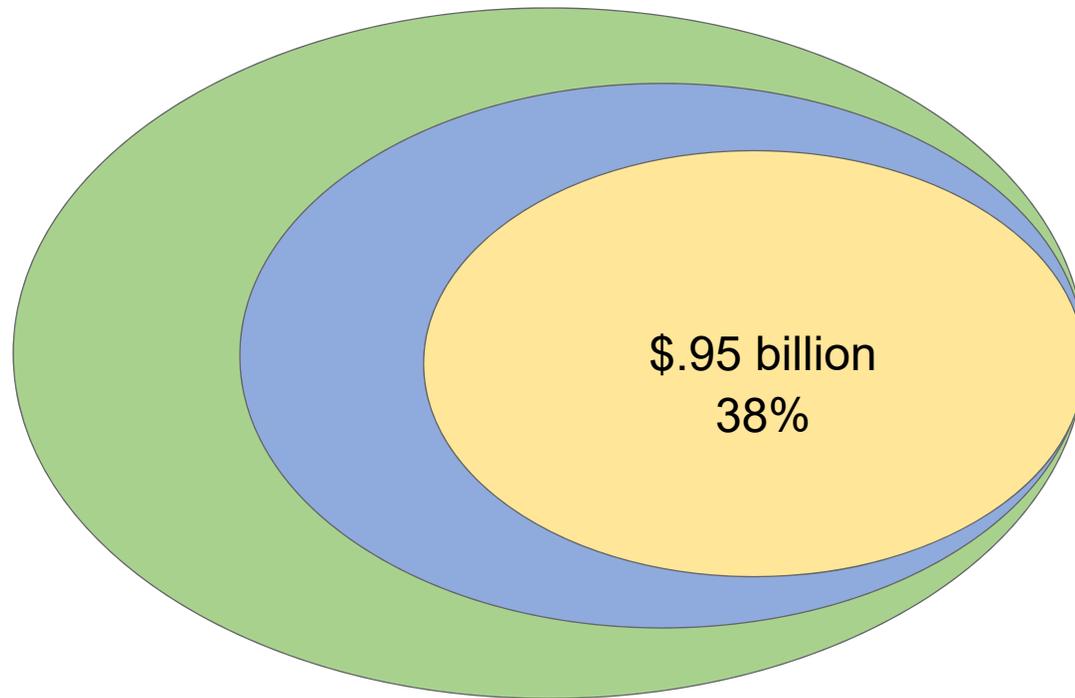
# Chapter II

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## The OIG Has Neglected Oversight of ACOs



# ACOs Managed 38% of 2017 Medicaid Expenditures



■ All other Medicaid patient expenditures

■ ACO patient expenditures

1. Tracking/differentiating
2. Independent reviews
3. Quality control
4. Performance audits
5. Reports on ACO recoveries

**FOR MORE INFORMATION**

# ACOs Are Not Identifying and Recovering Enough Overpayments

FFY	Dollars Managed	Investi- gations	Over- payments Identified	Overpayments Recovered	Target Recoveries
<b>University of Utah Health Plan</b>					
2013	\$165,651,678	N/A	N/A	N/A	\$1,656,517
2014	230,200,362	28	\$292,639	\$145,877	2,302,004
2015	283,293,854	25	86,997	54,095	2,832,939
<b>Molina</b>					
2013	181,895,300	11	121,213	65,000	1,818,953
2014	221,141,221	10	1,308,854	0	2,211,412
2015	249,878,674	8	12,952	0	2,498,787
<b>SelectHealth</b>					
2013	167,111,345	15	0	0	1,671,113
2014	371,583,281	9	0	0	3,715,833
2015	399,945,850	20	0	0	3,999,459
<b>Total</b>	<b>\$2,270,701,565</b>	<b>126</b>	<b>\$1,822,655</b>	<b>\$264,972</b>	<b>\$22,707,016</b>

**FOR MORE INFORMATION**

See pages 11-13

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# Chapter III

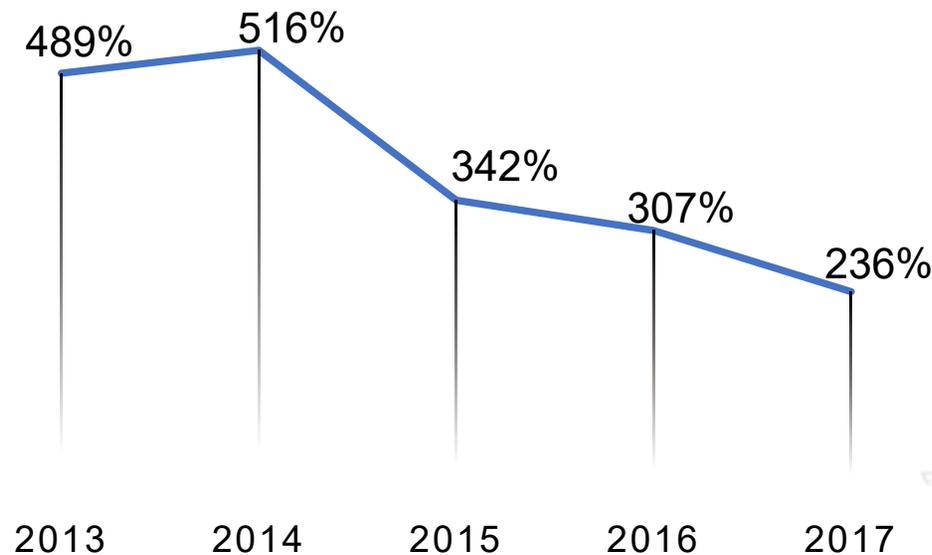
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## OIG Processes and Accountability Need Improvement



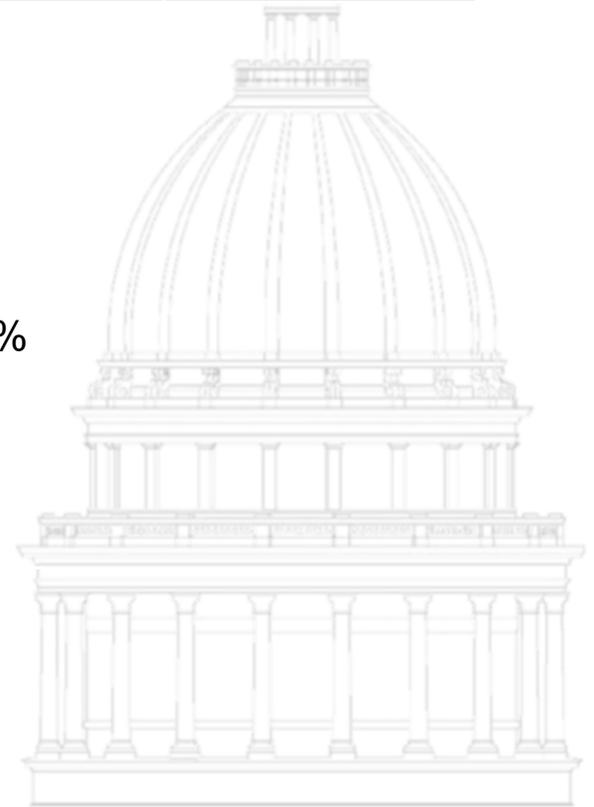
# OIG Reported Recoveries Have Declined

	2013	2014	2015	2016	2017
Recoveries	\$12,100,385	\$11,570,604	\$8,809,157	\$8,031,309	\$6,336,431
Expenses	\$2,472,266	\$2,241,697	\$2,577,847	\$2,619,030	\$2,689,993



**FOR MORE INFORMATION**

See pages 16-17



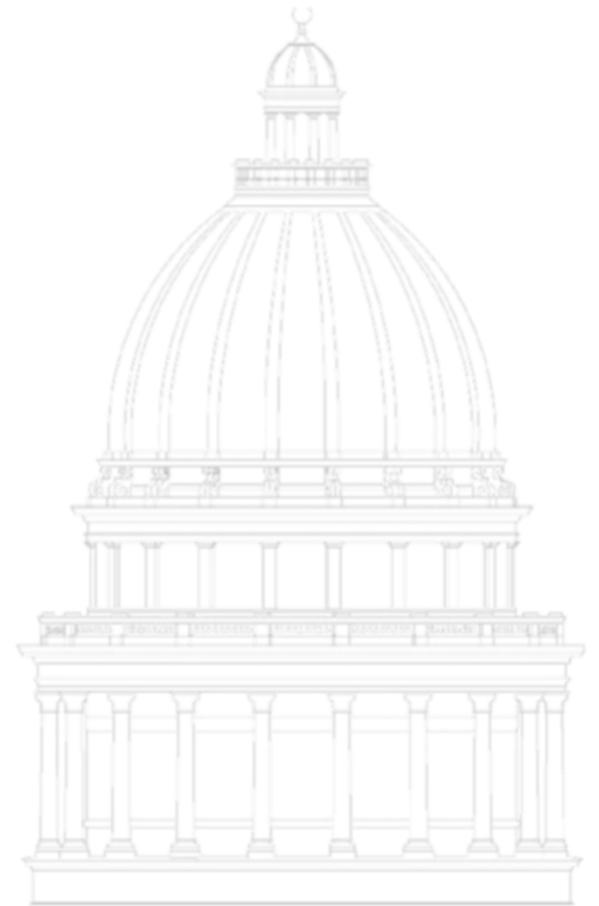
# OIG Can Improve Practices in Three Areas

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- Cost Avoidance Metric
- Annual Audit Planning
- Audit Completion Rate

**FOR MORE INFORMATION**

See pages 17-19



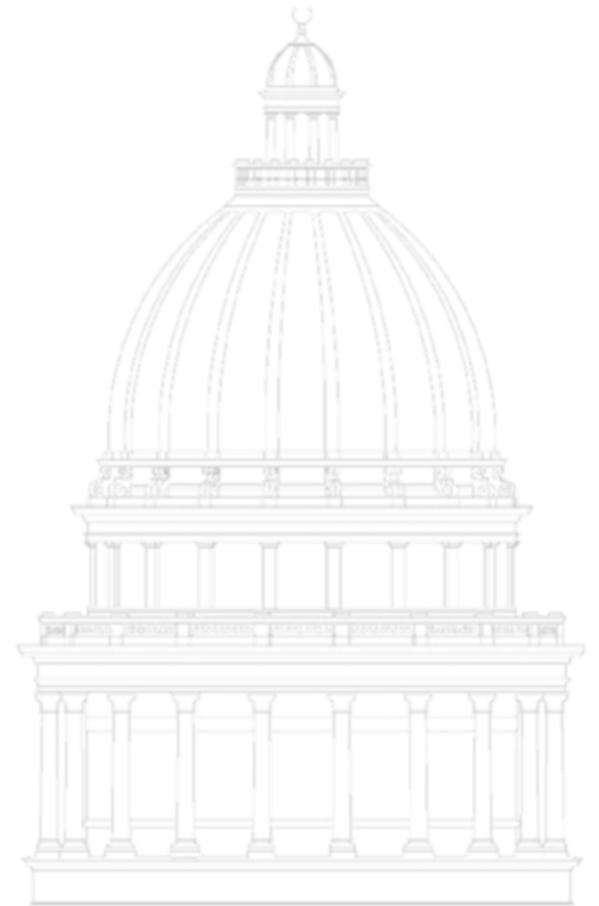
# We Recommend Implementing One of Three Enhanced Accountability Options

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- Hearings in the EAC
- OIG Oversight Board
- State Auditor

**FOR MORE INFORMATION**

See pages 20-21



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# Performance Audits of ACOs Were Lacking

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Audit	Date	Completed
ACO Implementation Project Management*	10/15/2012	Yes
Medicaid Administrative Expense Payable Controls	6/18/2013	No
ACO Network Adequacy	5/23/2016	No
Medicaid Third-Party Liability (TPL) Recovery Process	10/25/2016	No
Encounter Data Quality Assurance	9/20/2017	In-process
MCO Recipient Enrollment	11/30/2017	In-process
EQRO Validation	12/12/2017	In-process

**FOR MORE INFORMATION**

See pages 9-10