



OFFICE OF THE INSPECTOR GENERAL OF MEDICAID SERVICES

INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

The Office of Inspector General of Medicaid Services (OIG) reviews Medicaid policies, programs, contracts, and services in order to identify root problems contributing to fraud, waste, and abuse within the system, and it recommends improvements to Medicaid management and the provider community. This office inspects, monitors, and audits the usage of federal and state Medicaid funds; agencies and programs for compliance with state and federal requirements; and record keeping procedures and record maintenance. It seeks and tracks recovery of improperly paid Medicaid funds.

INTENT LANGUAGE

Line Item	Nonlapsing Request	Estimated	LFA Recommend.	Purpose
Inspector General of Medicaid Services	\$750,000 H.B. 6, Item 9	\$0	NA	Monitor compliance; prevent/reduce fraud and waste; monitor quality of Medicaid providers service delivery and accuracy of billing

The Inspector General recommends the following performance measures intent language:

The Legislature intends that the Office of Inspector General of Medicaid Services, whose goal is to eliminate fraud, waste, and abuse within the Medicaid program, report by October 31, 2019 to the Infrastructure and General Government Appropriations Subcommittee on the following performance measures: (1) cost avoidance projected over one year and three years; (2) Medicaid dollars recovered through cash collections, directed re-bills, and (c) credit adjustments; (3) the number of credible allegations of provider and/or recipient fraud received, initial investigations conducted, and referred to an outside entity (e.g. Medicaid Fraud Control Unit, Department of Workforce Services, local law enforcement, etc.); (4) the number of fraud, waste, and abuse cases identified and evaluated; and (5) the number of recommendations for improvement made to the Department of Health.

BUDGET REQUEST

The FY 2020 budget for OIG as currently in H.B. 6, Item 48 is:

Financing Source	Appropriation	Percent of Total
General Fund	\$1,212,300	33.5%
Medicaid Expansion Fund	\$35,000	9.7%
Revenue Transfers	\$2,376,400	65.6%
Total	\$3,623,700	

The collections (i.e. revenue transfers) portion of the budget is largely dependent on the General Fund appropriation associated expenditures. The current budget does not allow OIG to utilize a portion of the budget in any given year as there are certain federal match requirements. In order to fully utilize its budget, OIG requests increasing its General Fund appropriation by \$100,000 in FY 2019 and by \$200,000 ongoing beginning in FY 2020 and reducing revenue transfers by those amounts.