

OFFICE OF INSPECTOR GENERAL

U.S. Department of Health and Human Services

Fiscal Year 2015

WORK PLAN

Mid-Year Update | May 2015

Introductory Message From the Office of Inspector General

The U.S. Department of Health and Human Services (HHS) Office of Inspector General (OIG) *Work Plan Mid-Year Update (Work Plan)* for fiscal year (FY) 2015 summarizes new and ongoing reviews and activities that OIG plans to pursue with respect to HHS programs and operations during the current fiscal year and beyond.

What is our responsibility?

Our organization was created to protect the integrity of HHS programs and operations and the well-being of beneficiaries by detecting and preventing fraud, waste, and abuse; identifying opportunities to improve program economy, efficiency, and effectiveness; and holding accountable those who do not meet program requirements or who violate Federal health care laws. Our mission encompasses more than 100 programs administered by HHS at agencies such as the Centers for Medicare & Medicaid Services, Administration for Children and Families, Centers for Disease Control and Prevention, Food and Drug Administration, and National Institutes of Health.

The amount of work conducted in each category is set by the purpose limitations in the money appropriated to OIG. OIG's funding that is directed toward oversight of the Medicare and Medicaid programs constitutes a significant portion of its total funding (approximately 76 percent in 2014). The remaining share of OIG's efforts and resources focuses on HHS's other programs and management processes, including key issues, such as the accuracy of financial assistance payments, efficient and effective operation of health insurance marketplaces, safety of the Nation's food and drug supply, security of national stockpiles of pharmaceuticals for use during emergencies, and integrity of contracts and grants management processes and transactions.

How and where do we operate?

Our staff members are deployed throughout the Nation in regional and field offices and in the Washington, DC, headquarters. We conduct audits, evaluations, and investigations; provide guidance to industry; and, when appropriate, impose civil monetary penalties (CMPs), assessments, and administrative sanctions. We collaborate with HHS and its operating and staff divisions, the Department of Justice (DOJ) and other executive branch agencies, Congress, and States to bring about systemic changes, successful prosecutions, negotiated settlements, and recovery of funds. The following are descriptions of our mission-based components.

- **The Office of Audit Services (OAS).** OAS provides auditing services for HHS, either by conducting audits with its own resources or by overseeing audit work done by others. Audits examine the performance of HHS programs and/or its grantees and contractors in carrying out their respective responsibilities and are intended to provide independent assessments of HHS programs and operations. These assessments help reduce waste, abuse, and mismanagement and promote economy and efficiency throughout HHS.
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- **The 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.
- **The 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 and the District of Columbia, 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 CMPs.
- **The Office of Counsel to the Inspector General (OCIG).** OCIG provides general 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, program exclusion, and CMP cases. In connection with these cases, OCIG also negotiates and monitors corporate integrity agreements. OCIG renders advisory opinions, issues compliance program guidance, publishes fraud alerts, and provides other guidance to the health care industry concerning the anti-kickback statute and other OIG enforcement authorities.

The organizational entities described above are supported by the Immediate Office of the Inspector General and the Office of Management and Policy.

What do we accomplish?

For FY 2014, we reported expected recoveries of over \$4.9 billion, consisting of nearly \$834.7 million in audit receivables and about \$4.1 billion in investigative receivables, which include about \$1.1 billion in non-HHS investigative receivables resulting from our work in areas such as the States' shares of Medicaid restitution. We also identified about \$15.7 billion in savings estimated for FY 2014 on the basis of prior-period legislative, regulatory, or administrative actions that were supported by OIG recommendations. Such estimates generally reflect third-party projections (such as those by the Congressional Budget Office or HHS actuaries) made at the time the action was taken. Actual savings may be higher or lower.

We reported FY 2014 exclusions of 4,017 individuals and entities from participation in Federal health care programs; 971 criminal actions against individuals or entities that engaged in crimes against HHS programs; and 533 civil actions, which include false claims and unjust-enrichment lawsuits filed in Federal district court, CMP settlements, and administrative recoveries related to provider self-disclosure matters.

How do we plan our work?

Work planning is a dynamic process, and adjustments are made throughout the year to meet priorities and to anticipate and respond to emerging issues with the resources available. We assess relative risks in the programs for which we have oversight authority to identify the areas most in need of attention

and, accordingly, to set priorities for the sequence and proportion of resources to be allocated. In evaluating proposals for the *Work Plan*, we consider a number of factors, including:

- mandatory requirements for OIG reviews, as set forth in laws, regulations, or other directives;
- requests made or concerns raised by Congress, HHS management, or the Office of Management and Budget;
- top management and performance challenges facing HHS;
- work performed by partner organizations;
- management's actions to implement our recommendations from previous reviews; and
- timeliness.

A Note About This Edition:

This edition of the *Work Plan*, effective as of May 2015, describes OIG audits, evaluations, and certain legal and investigative initiatives that are ongoing. In response to adjustments made to our *Work Plan*, this mid-year update removes items that have been completed, postponed, or canceled and includes new items that have been started since October 2014. The word “new” before a project title indicates that the project did not appear in the previous *Work Plan*. For each project, we include the subject, primary objective, and criteria related to the topic. At the end of each description, we provide the internal identification code for the review (if a number has been assigned) and the year in which we expect one or more reports to be issued as a result of the review.

This edition also forecasts areas for which OIG anticipates planning and/or beginning work in the upcoming fiscal year and beyond. Typically, these broader areas of focus are based on the results of OIG's risk assessments and have been identified as significant management and performance challenges facing HHS. In FY 2015 and beyond, we will continue to focus on emerging payment, eligibility, management, and information technology systems security vulnerabilities in health care reform programs, such as the health insurance marketplaces. OIG plans to add to its portfolio of work on care quality and access in Medicare and Medicaid, as well as on public health and human services programs. OIG's examination of the appropriateness of Medicare and Medicaid payments will continue, with possible additional work on the efficiency and effectiveness of payment policies and practices in inpatient and outpatient settings, for prescription drugs, and in managed care. Other areas under consideration for new work include, for example, the integrity of the food, drug, and medical device supply chains; the security of electronic data; the use and exchange of health information technology; and emergency preparedness and response efforts.

OIG will periodically update its online *Work Plan*, available at www.oig.hhs.gov.

The body of the *Work Plan* is followed by Appendix A, which describes our reviews related to the Patient Protection and Affordable Care Act of 2010, and Appendix B, which describes our oversight of the funding that HHS received under the American Recovery and Reinvestment Act of 2009.

Because we make continuous adjustments to the *Work Plan* as appropriate, we do not provide status reports on the progress of the reviews. However, if you have other questions about this publication, please contact us at public.affairs@oig.hhs.gov.

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