

# PUBLICATION

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## OIG March 2018 Work Plan Update

March 28, 2018

**The OIG's March 2018 Work Plan update included seven items. Not surprisingly, the opioid crisis continues to be an area of focus for the OIG. The OIG also intends to review the oversight of vocational rehabilitation provided through independent living programs, as well as the appropriateness of school-based Medicaid rates developed by state Medicaid consultants. In addition, the OIG will examine child support enforcement programs, HHS grant recipients, and the Indian Health Service. The seven updates are summarized in this article and listed in the accompanying table.**

The Office for Audit Services (OAS) will begin to audit oversight activities of the Administration for Community Living. While the Work Plan update indicates a review of all such oversight activities, the OIG specifically notes the statutory requirement for onsite compliance reviews of (1) at least 15 percent of centers for independent living receiving federal funds for vocational rehabilitation under 29 U.S.C. § 722 and (2) one-third of the designated state units receiving federal funds for vocational rehabilitation under 29 U.S.C. § 723.

The OIG will review the administrative costs of select states' Child Support Enforcement programs to ensure compliance with federal and state requirements. The OIG considers federal funds to be at risk because the Office of Child Support Enforcement (OCSE) is unable to perform administrative costs audits. The OCSE has oversight responsibilities for the Child Support Enforcement Program, including 54 individual state and territorial programs. The federal government pays for more than half of the state programs' costs.

The OAS will audit select recipients receiving HHS grants from multiple sources to determine that costs have been properly claimed and allocated. All HHS grant recipients must follow federal requirements for financial management systems and source documentation which determine cost allocations and allowability. In addition to auditing select multiple-source grant recipients, the OIG will review the HHS procedures for coordinating different grant programs.

The OIG's Office of Evaluation and Inspections will assess the incidence and preventability of adverse events in the 26 hospitals run by the Indian Health Service (IHS), and the extent to which such incidents are properly documented.

The OAS will audit the funds received by regional IHS Area Offices. Congress has expressed concern about the IHS and its administrative and financial management of program funds, which are distributed among IHS's headquarters and 12 regional Area Offices. The audit will include an examination of how Area Offices monitor and allocate funds received from IHS headquarters, including the area offices' accounting for appropriations and allocation to service units.

The OAS will report on a multi-state review to determine if state consultants improperly determined school-based Medicaid rates. A previous OIG review revealed that a state's consultant used unsupported time studies to develop payment rates for school-based health services, which caused the state to claim unallowable claims for Medicaid reimbursement. Such consultants are often paid on a contingency fee based on the percentage of funds reimbursed from the federal government to a state.

As part of ongoing efforts to combat opioid overdose deaths, the OIG will provide a data brief updating data on Part D spending on opioids, the number of recipients that received extreme amounts of opioids through Part D and those recipients that appear to be "doctor shopping."

Announced	Agency	Title	Component	Report Number(s)
March 2018	Administration for Community Living	Administration for Community Living Oversight of Independent Living Programs	Office of Audit Services	W-00-18-59432
March 2018	Administration for Children and Families	Child Support Administrative Cost Audit	Office of Audit Services	W-00-18-20016
March 2018	Office of the Assistant Secretary for Financial Resources	Grantee Compliance with Cost Principles for Organizations with Multiple HHS Discretionary Funding Sources	Office of Audit Services	W-00-18-59433
March 2018	Indian Health Service	Incidence of Adverse Events in Indian Health Service Hospitals	Office of Evaluation and Inspections	OEI-06-17-00530
March 2018	Indian Health Service	Financial and Administrative Review at Indian Health Service Area Offices	Office of Audit Services	W-00-18-59435
March 2018	Centers for Medicare & Medicaid Services	Medicaid School-Based Costs Claimed Based on Contingency Fee Contractor Coding	Office of Audit Services	W-00-18-31529
March 2018	Centers for Medicare & Medicaid Services	Data Brief: Opioid Use in Medicare Part D	Office of Evaluation and Inspections	OEI-02-18-00220