

REPORT HIGHLIGHTS



September 2026 | OEI-04-25-00400

Alabama Medicaid Fraud Control Unit: 2025 Inspection

OIG administers the Medicaid Fraud Control Unit (MFCU or Unit) grant awards, annually recertifies each Unit, and oversees the Units' compliance with the requirements of the grant and adherence to 12 established performance standards that reflect practices identified by OIG and MFCUs that will improve Unit effectiveness. As part of this oversight, OIG conducts periodic onsite inspections of Units and issues public reports of its findings and observations.

AL MFCU Case Outcomes

With an average staff size of seven and \$4.7 million in Federal and State funding during the review period (FYs 2023 through 2025), the MFCU reported:



Performance Assessment

PERFORMANCE STANDARD	FINDINGS	RECOMMENDATIONS
PERFORMANCE STANDARD 2 Staffing	Staffing levels consistently fell below OIG-approved levels and were low for State Medicaid expenditures	Hire additional staff Develop plan to expand the Unit size
PERFORMANCE STANDARD 3 Policies and Procedures	Policies did not address coordination on Unit cases with Federal law enforcement partners	Update policies to include Federal partner coordination
PERFORMANCE STANDARD 4 Maintaining Adequate Referrals	Few referrals from the State Medicaid agency's Program Integrity Unit (PIU), despite outreach	Reinforce the terms of the Memorandum of Understanding (MOU) with the PIU to increase referrals
PERFORMANCE STANDARD 7 Maintaining Case Information	Majority of case files lacked at least some documentation of periodic supervisory reviews Case management system did not efficiently manage or report accurate case information or performance data	Ensure that periodic supervisory reviews of case files are consistently documented Implement new case management system that allows for efficient access and accurate reporting
PERFORMANCE STANDARD 8 Cooperation With Federal Authorities	Positive working relationships with most Federal partners, but lack of regular communication with one Unit did not report one adverse action to the National Practitioner Data Bank (NPDB)	Improve communication with U.S. Attorney's Office in the Southern District Report all adverse actions to the NPDB within required timeframes
PERFORMANCE STANDARD 10 Agreement With Medicaid Agency	MOU did not reference CMS Performance Standard for Referrals, as required	Revise the MOU with the State Medicaid agency to reference the CMS Performance Standard for Referrals

The Unit concurred with all nine recommendations.