



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



August 28, 2026

Attorney General Aaron Frey
Office of the Maine Attorney General
6 State House Station
Augusta, ME 04333

Director William Savage
Healthcare Crimes Unit
Office of the Maine Attorney General
6 State House Station
Augusta, ME 04333

Dear Attorney General Frey and Director Savage:

On July 2, 2026, the Department of Health and Human Services, Office of Inspector General (OIG) conditionally recertified the Maine Medicare Fraud Control Unit (MFCU or Unit) for 60 days, subject to three special conditions:

1. Address staffing deficiencies
2. Address referral deficiencies
3. Improve cooperation with Federal partners

OIG received your action plan to address these special conditions on July 31, 2026. As noted in the email correspondence on August 12, 2026, OIG has approved the action plan as submitted. Given that the action plan addresses the identified concerns and the fact that the Unit has already started to make progress implementing needed changes, OIG is conditionally recertifying the Maine MFCU, beginning on September 1, 2026. The Maine MFCU is still subject to the special conditions concerning staffing, referrals, and cooperation with Federal partners in OIG's July 2, 2026, letter.

This letter serves as written notice and explanation of OIG's determination to conditionally recertify the Unit with special conditions (42 CFR § 1007.17(d)(1); 2 CFR § 200.208(d)).

Basis for Conditionally Recertifying With Special Conditions

Adherence to Performance Standards (42 CFR § 1007.17(c)(3)):

- Performance Standard 2—Staffing:

The Maine MFCU did not employ a total number of professional staff commensurate with the State's total Medicaid program expenditures. Based on Maine Medicaid expenditures of more than \$5.2 billion for fiscal year (FY) 2025, OIG analysis predicted that the Maine

MFCU should have approximately 15 staff members. The Unit also reported that it did not have enough staff to effectively fulfill its mission and objectives.

In its July 2, 2026, letter, OIG required the Unit to provide a staffing plan to OIG that details how the Unit will increase its staff. The staffing plan must specify the staff positions the Unit will add or fill, the targeted timeframe for onboarding each staff position, and the actions the Unit will take to meet its targeted timeframes.

In its action plan, the Maine MFCU stated that it intends to increase its staff by seeking the necessary approvals to add five new permanent positions, including four detectives and one auditor/data analyst. The Unit reported actions it had taken to meet its targeted timeframes, including seeking approval to include the five positions in the Governor's budget to be presented in January 2027. The Unit's action plan, if fully implemented, addresses the identified concerns.

- Performance Standard 4—Referrals:

The Maine MFCU reported receiving a low number of referrals. The Unit also reported receiving a low number of referrals from the State's Program Integrity Unit (PIU) for several years.

In its July 2, 2026, letter, OIG required the Unit to provide a root cause analysis of the low referrals and develop a plan that details the steps the Unit will take to increase its referrals. The action plan must specify the referral entities with which the Unit will schedule regular meetings (at least monthly) and a description and targeted timeline for providing training or other information to the specified referral entities to encourage referrals.

In its action plan, the Maine MFCU reported it has already taken steps to increase referrals after examining the issues impacting referral volume and determining that both PIU and the MFCU would benefit from more cross-training specific to the identification and definition of fraud and the roles of each unit in the investigation of fraud. The PIU, OIG's Office of Investigation (OI), and the MFCU have had quarterly meetings that included cross-training for years. These meetings will now occur monthly starting in August of 2026. Additionally, the Unit will work with Maine's Certification and Survey Unit to establish a monthly meeting schedule to discuss both abuse or neglect and fraud trends. The Unit's stated plan, if fully implemented, addresses the identified concerns.

- Performance Standard 8—Cooperation:

Although the Maine MFCU has a productive working relationship with OI, cooperation could be improved. Continued engagement with OI will be important to improving the Unit's outcomes for its criminal and civil fraud cases.

In its July 2, 2026, letter, OIG required the Unit to provide OIG with a coordination plan that details the steps the Unit will take to improve coordination with OI. The plan must include a schedule of regular meetings with OI to occur at least monthly, and the Unit must include

coordination procedures (e.g., joint cases, deconfliction) in the Unit's policies and procedures manual.

In its action plan, the Maine MFCU reported that it has already taken steps to improve coordination. The Unit Director and OIG Special Agent in Charge have scheduled monthly meetings in addition to current monthly meetings between the MFCU, the PIU, and OI. Additionally, the Unit and the U.S. Attorney's Office have agreed to meet monthly to coordinate and deconflict cases. The Unit has updated its procedures manual to state that the Unit will coordinate and deconflict with OIG investigators and attorneys, or with any other Federal investigators and prosecutors. The Unit's implemented actions, if continued over time, address the identified concerns.

Assessing Unit Progress

A progress report that details the steps your Unit has taken to ensure compliance consistent with the Unit's action plan is due by September 1, 2026. OIG will further assess the Unit's implementation of its action plan during a planned onsite visit during the fall of 2026. This will allow OIG to observe the steps taken by the Unit, gather a deeper understanding of the challenges to addressing deficiencies, and offer technical assistance to aid the Unit's efforts.

Removing Special Conditions and Achieving Recertification

To remove the special conditions and be recertified, the Unit must demonstrate significant progress toward addressing the deficiencies listed as special conditions. Specifically, the Unit must continue implementation of the corrective actions detailed in its action plan.

Upon successful completion of the corrective actions, OIG will remove the special conditions. If the Maine MFCU fails to take the required action, OIG may pursue additional certification actions or financial remedies, as necessary (see 42 CFR § 1007.17 and 2 CFR § 200.339).

If you have any questions regarding your Unit's conditional recertification, please call me at (202) 619-3148.

Sincerely,



T. March Bell
Inspector General