DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201

August 13, 2026

Attorney General Andrea Joy Campbell
Office of the Attorney General
One Ashburton Place
Boston, Massachusetts 02108

Director Kevin Lownds
Medicaid Fraud Control Unit
Office of the Attorney General
One Ashburton Place
Boston, Massachusetts 02108

Dear Attorney General Campbell and Director Lownds:

American taxpayers provide nearly half a billion dollars every year to State governments to fund State Medicaid Fraud Control Units (MFCUs or Units), which are obligated by Federal law to use that money to effectively fight Medicaid fraud and protect patients from abuse or neglect. Massachusetts receives approximately $7.6 million per year from American taxpayers for these purposes. Given this substantial investment in the Massachusetts MFCU, American taxpayers and the Federal Government expect the Unit and the Massachusetts Attorney General to use the millions of Federal dollars to effectively fight Medicaid fraud and protect Medicaid patients from abuse or neglect.

In fiscal year (FY) 2025, the Massachusetts MFCU continued to deliver meaningful results for individuals enrolled in Medicaid and taxpayers, demonstrating both strong investigative capacity and a consistent record of impactful enforcement outcomes.

The Department of Health and Human Services, Office of Inspector General (OIG) has reviewed the Unit's 2026 recertification information and determined that the Unit continues to demonstrate a strong commitment to its mission and a solid record of effectiveness across key functional areas. Although no Unit is without opportunities for improvement, your Unit has shown that it uses Federal funds responsibly, pursues fraud and patient abuse or neglect cases diligently, and maintains operational practices befitting a high-performing MFCU. In particular, Massachusetts' accomplishments—including high case outcomes, effective use of data analytics, successful prosecutions across a wide range of provider types, and sustained collaboration with Federal and State partners—underscore the Unit's continued commitment to safeguarding the Massachusetts Medicaid program and the people it serves.

OIG takes seriously its responsibility to ensure that Units receiving these Federal funds are fulfilling the MFCU mission effectively. As part of that responsibility, OIG evaluates each Unit's performance, operational capacity, investigative outcomes, and overall adherence to

statutory and regulatory requirements. This oversight is essential to maintaining public trust and ensuring that every MFCU contributes meaningfully to the broader fight against fraud, waste, and abuse within the Medicaid program.

OIG recertifies the Massachusetts MFCU beginning on August 15, 2026. This letter serves as written notice and explanation of OIG's findings on which the approval is based (42 CFR § 1007.17(d)).

Statutory and Regulatory Background

The Social Security Act (SSA) requires each State to demonstrate that it operates a MFCU that effectively carries out its statutory functions and responsibilities (SSA §§ 1902(a)(61) and 1903(q)). OIG, through delegations from the Secretary of Health and Human Services, is responsible for annually recertifying and funding each Unit (SSA §§ 1903(a)(6), (b)(3), and (q); 44 Fed. Reg. 47809, 47811 (Aug. 15, 1979)). To continue receiving Federal funding, a Unit must be certified. Under SSA §§ 1903(a)(6) and (q) and 42 CFR § 1007.19(d)(1), Federal funding is allowable only if a Unit has been certified and recertified annually by OIG.

OIG may approve or deny a Unit's annual recertification application and must provide written explanation for denials (42 CFR § 1007.17(d)(2)). When making recertification determinations, OIG evaluates whether the Unit has demonstrated that it effectively carries out the functions and requirements described in SSA § 1903(q), as implemented by 42 CFR part 1007. In making these determinations, OIG reviews the information described in 42 CFR §§ 1007.17(a) and (b) and considers the factors in 42 CFR § 1007.17(c).

OIG may impose special conditions or restrictions and may require corrective action, as provided in 2 CFR § 200.208, before approving a reapplication for recertification (42 CFR § 1007.17(d)(1)).

Basis for Approving Recertification

OIG approves the Unit's recertification for 1 year. OIG evaluated whether the Unit demonstrated that it effectively carries out its statutory functions and responsibilities as required by SSA §§ 1902(a)(61) and 1903(q) and implemented in 42 CFR part 1007. OIG considered the following factors and information and determined that the Unit is effectively carrying out its statutory functions and requirements and is complying with the terms and conditions of the MFCU grant.

Findings Under Each of the Five Certification Factors in 1007.17(c)(1)-(5)

1. Compliance With Regulations (42 CFR § 1007.17(c)(1)): The Massachusetts MFCU generally complied with applicable laws and regulations.

2. Compliance With Policy Transmittals (42 CFR § 1007.17(c)(2)): The Massachusetts MFCU generally complied with OIG policy transmittals.

3. Adherence to Performance Standards (42 CFR § 1007.17(c)(3)): OIG has determined that the Massachusetts MFCU is adhering to the MFCU Performance Standards as published in the

Federal Register (89 Fed. Reg. 76431, Sept. 18, 2024). OIG assesses a Unit's adherence to all performance standards when assessing recertification of MFCUs. To explain the results of that assessment, OIG provides the following information as examples of the Unit's adherence under four of those performance standards.

- Performance Standard 2—Staffing:

  The Massachusetts MFCU employs a total number of professional staff commensurate with the State's total Medicaid program expenditures. The MFCU employed 39 staff out of 47 approved staff positions at the end of FY 2025. The MFCU Director reported in July 2026 that the MFCU currently had 42 staff with 5 more staff expected to be hired soon, which would bring the MFCU's actual staffing in line with its approved staffing. OIG's analysis predicts a staff of 51. The MFCU Director moreover reported that staffing is sufficient, and there are no problems with staff retention.

- Performance Standard 4—Referrals:

  The MFCU reports significant outreach efforts. The MFCU meets weekly with the Program Integrity Unit (PIU) and quarterly with the managed care organizations (MCOs). For FY 2025, the MFCU reported receiving 22 fraud referrals from the PIU and 13 fraud referrals from MCOs.

- Performance Standard 5—Case Progression:

  The Massachusetts MFCU effectively makes progress on its cases. MFCU managers conduct supervisory case file reviews quarterly. Nineteen percent (59 of 306) of the Unit's cases have been open for more than 3 years.

- Performance Standard 8—Cooperation:

  According to its FY 2025 recertification information, OIG's Office of Investigations (OI) reported investigating 35 joint cases with the Unit during the review period, and an excellent working relationship and joint training. The MFCU and OI conduct quarterly scheduled meetings as well as "as-needed" meetings regarding joint investigations.

4. Effectiveness Investigating and Prosecuting Fraud (42 CFR § 1007.17(c)(4)): The Massachusetts MFCU is using its resources effectively to investigate cases of possible fraud in the administration of the Medicaid program, the provision of medical assistance, or the activities of providers of medical assistance under the State Medicaid plan, as well as to prosecute cases or cooperate with the prosecuting authorities. Among the factors that OIG has considered in assessing the Unit's effectiveness in investigating and prosecuting fraud are the Unit's case outcomes as reported in the annual statistical report and how the Unit compares with similar-sized MFCUs.

The Massachusetts MFCU reported that fraud convictions increased from FY 2024 to FY 2025, from 11 to 19 fraud convictions. For the past 3 years, the MFCU reported 45 fraud convictions,

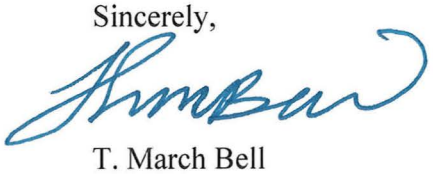
which ranks the Massachusetts MFCU fifth out of 15 similarly situated Units. Additionally, for FY 2025, the Massachusetts MFCU reported 449 fraud investigations, 26 fraud indictments, 31 civil settlements and judgments, and total monetary recoveries of $139.9 million.

5. Effectiveness Investigating and Prosecuting Patient Abuse or Neglect (42 CFR § 1007.17(c)(5)): The Massachusetts MFCU is using its resources effectively to review and investigate, refer for investigation or prosecution, or criminally prosecute complaints alleging abuse or neglect of patients or residents in health care facilities receiving payments under the State Medicaid plan and, at the Unit's option, in board and care facilities. Among the factors that OIG has considered in assessing the Unit's effectiveness in investigating and prosecuting patient abuse or neglect are the Unit's case outcomes as reported in the annual statistical report and how the Unit compares with similar-sized MFCUs.

The Massachusetts MFCU reported consistent convictions between FY 2024 and FY 2025, with two convictions each year related to patient abuse or neglect. For the past 3 years, the MFCU reported 8 patient abuse or neglect convictions, which ranks Massachusetts 10th out of 15 similarly situated Units. Additionally, in FY 2025, the Massachusetts MFCU reported 43 investigations and 27 indictments related to patient abuse or neglect.

The Massachusetts MFCU has achieved significant success and demonstrates the beneficial impact a high-performing MFCU can have for taxpayers and for those served by the Massachusetts Medicaid program. Thank you for your continued commitment to our shared mission to combat fraud and protect individuals served by Medicaid from harm. If you have any questions regarding your Unit's recertification, please call me at (202) 619-3148.

Sincerely,



T. March Bell
Inspector General