In Selected States, 67 of 100 Health Centers Did Not Use Their HRSA Access Increases in Mental Health and Substance Abuse Services Grant Funding in Accordance With Federal Requirements

What OIG Found
Most health centers in the 30 States did not use their AIMS grant funding in accordance with Federal requirements and grant terms. Sixty-seven of the 100 health centers in our sample did not meet mental health and SUD service expansion requirements (30), claimed unallowable costs (34), and did not properly allocate salaries and other expenditures to their AIMS grants (34). These deficiencies occurred because health centers faced issues with hiring qualified staff, and their financial management systems did not ensure that only allowable, allocable, and documented costs were charged to their AIMS grants. In addition, HRSA did not effectively monitor health centers’ progress toward meeting service expansion requirements and did not ensure that health centers spent their AIMS grant funds in accordance with grant requirements.

On the basis of our sample results, we estimated that 454 of 665 health centers did not use their AIMS grant funding in accordance with Federal requirements and grant terms. We also estimated that 125 health centers did not increase the total number of mental health and SUD services patients from CY 2017 to CY 2018, and that 99 health centers did not hire new staff or increase hours of existing staff within 120 days of their AIMS grant award. As a result, patients may not have received the needed mental health or SUD services. In addition, we estimated that the health centers charged unallowable costs totaling nearly $6 million and improperly allocated costs totaling $10.9 million to their AIMS grants that could have been spent on AIMS-related purposes.

What OIG Recommends and HRSA Comments
We made a series of recommendations to HRSA, including that it improve its monitoring of how health centers meet targets for future grant funding opportunities and charge expenditures to their HRSA grants. We also recommend that HRSA require the health centers to refund unallowable and improperly allocated costs to the Federal Government.

HRSA concurred with our recommendation that it improve its monitoring, partially concurred with our other recommendations, and described actions that it has taken or plans to take to address them. We maintain that our findings and recommendations are valid.

The full report can be found at https://oig.hhs.gov/oas/reports/region2/21902001.asp.