

OIG Name:	Department of Health and Human Services, Office of Inspector General
OIG Broad Recovery Act Goals:	OIG will work with HHS management to assess internal controls and to ensure accountability for the proper expenditure and accurate tracking and reporting of Recovery Act funds. OIG conducts investigations, audits, and evaluations to detect and deter misconduct, to identify improper or wasteful spending, and to provide timely, useful, and reliable information and recommendations to help achieve the Department's program goals.
OIG Broad Training and Outreach Recovery Act Goals:	OIG's goal for outreach is to provide the Congress and the American public with current and useful information on OIG's Recovery Act activities. Reports of OIG activities, including audits, evaluations, and reports of investigative accomplishments, will be posted at http://oig.hhs.gov/recovery . OIG briefs Congressional committees as well as State Medicaid directors and State Auditors. Given the importance of HHS grant programs in the distribution of Recovery Act funding, OIG has undertaken an initiative to expand its grant fraud training.
OIG Recovery Act Risk Assessment Process:	Consistent with Enterprise Risk Management principles, OIG has reviewed the following in assessing risk for HHS Recovery Act programs: internal environment, objective setting, event identification, risk assessment, risk response, control activities, information and communication, and monitoring. As part of its audits of HHS programs, OIG reports to management on internal control deficiencies to provide information on risk.
OIG Staff Dedicated to Recovery Act Oversight:	In FY 2011, OIG expects to dedicate approximately 83 FTE to Recovery Act oversight activities.
OIG Recovery Act Funds:	\$17,000,000. The Recovery Act provided an additional \$31,250,000 to OIG, available through FY 2011, for ensuring the proper expenditure of funds under Medicaid.
Expiration Date of OIG Recovery Act Funds:	OIG's Recovery Act funds expire in FY 2012.
OIG Recovery Act Funds Allocated to Contracts:	No
Purpose of Recovery Act Contracts:	N/A
Types of Recovery Act Contracts Awarded to Date:	N/A
Link to OIG Recovery Act Work Plan:	http://oig.hhs.gov/recovery/

HHS Agency	Program Area	Recovery Act Funds Associated w/Program Area	Type of Review	Entity Performing Review	Project Title	Background	Objective	Review Included on Prior Recovery Act Plan (Y/N)	Expected Quarter Work Begins	Expected Quarter(s) Reports Issued	Expected Number of Reports
Administration for Children and Families	Community Services Block Grant	\$1,000 million	administrative / financial	OIG Staff	Internal Controls Over Grant Monitoring Process (OAS)	Internal controls are important to ensure that grants awards are made with appropriate and consistently applied criteria.	To determine whether internal controls developed by state oversight agencies for monitoring community action agencies are effective and efficient.	Yes	Q3 FY 10	Q2 FY 11	8
Administration for Children and Families	Community Services Block Grant	\$1,000 million	administrative / financial	OIG Staff	Internal Controls Over Grant Monitoring Process (OAS)	Internal controls are important to ensure that grants awards are made with appropriate and consistently applied criteria.	To summarize the results to Community Services Block Grant (CSBG) as to whether internal controls developed by state oversight agencies for monitoring community action agencies are effective and efficient.	No	Q2 FY 11	Q3 FY 11	1
Administration for Children and Families	Community Services Block Grant	\$1,000 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient capability audits are important to ensure that new grantees have the necessary systems and controls to manage Federal funds and meet grant requirements.	To determine whether community action agencies have the systems and controls necessary to manage Federal funds and meet grant requirements.	Yes	Q3 FY 10	Q2 FY 11	24
Administration for Children and Families	Community Services Block Grant	\$1,000 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient capability audits are important to ensure that new grantees have the necessary systems and controls to manage Federal funds and meet grant requirements.	To summarize the results to CSBG as to whether community action agencies have the systems and controls necessary to manage Federal funds and meet grant requirements.	No	Q2 FY 11	Q3 FY 11	1
Administration for Children and Families	Early Head Start	\$1,100 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient capability audits are important to determine whether applicants have systems and controls necessary to manage Federal funds and meet grant requirements.	To summarize the results to Office of Head Start (OHS) as to whether applicants have the systems and controls necessary to manage Federal funds and meet grant requirements.	No	Q2 FY 10	Q2 FY 11	1
Administration for Children and Families	Head Start	\$1,000 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient capability audits are important to determine whether select grantees should receive additional Recovery Act funds.	To determine whether select grantees have the systems and controls necessary to manage Federal funds and meet grant requirements.	Yes	Q3 FY 09	Q2 FY 11	24
Administration for Children and Families	Head Start	\$1,000 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient capability audits are important to determine whether select grantees should receive additional Recovery Act funds.	To summarize the results to OHS as to whether select grantees have the systems and controls necessary to manage Federal funds and meet grant requirements.	No	Q1 FY 11	Q3 FY 11	1
Administration for Children and Families	Head Start/Early Head Start	\$2,100 million	administrative / financial	OIG Staff	Licensing, Health, and Safety Standards at Head Start and Early Head Start Facilities (OAS)	The Recovery Act expanded both programs. Prior work identified unsafe conditions and staff with inappropriate backgrounds.	To determine whether Early Head Start and Head Start Grantees complied with applicable Federal, state, and local health and safety requirements for children in their care.	Yes	Q3 FY 09	Q2 FY 11	24
Administration for Children and Families	Head Start/Early Head Start	\$2,100 million	administrative / financial	OIG Staff	Licensing, Health, and Safety Standards at Head Start and Early Head Start Facilities (OAS)	The Recovery Act expanded both programs. Prior work identified unsafe conditions and staff with inappropriate backgrounds.	To summarize the results to OHS as to whether Early Head Start and Head Start Grantees complied with applicable Federal, state, and local health and safety requirements for children in their care.	No	Q1 FY 11	Q3 FY 11	1
Administration for Children and Families	Temporary Assistance for Needy Families (Non-Tax Benefit Program)	\$5,000 million	administrative / financial	OIG Staff	Temporary Assistance for Needy Families (TANF) Eligibility (OAS)	The Recovery Act Emergency Contingency Fund for State TANF programs makes \$5 billion available over fiscal years 2009 and 2010 for jurisdictions (states, territories, and tribes) that have an increase in assistance caseloads and basic assistance expenditures, or an increase in expenditures related to short-term benefits or subsidized employment.	To determine whether select States receiving Recovery Act Emergency Contingency funds were in compliance with the applicable TANF requirements.	No	Q3 FY 11	Q2 FY 12	8
Administration for Children and Families	Temporary Assistance for Needy Families (Non-Tax Benefit Program)	\$5,000 million	administrative / financial	OIG Staff	TANF Non-Recurring Benefits (OAS)	The Recovery Act Emergency Contingency Fund for State TANF programs makes \$5 billion available over fiscal years 2009 and 2010 for jurisdictions (states, territories, and tribes) that have an increase in assistance caseloads and basic assistance expenditures, or an increase in expenditures related to short-term benefits or subsidized employment.	To review the non-recurring, short-term benefits provided by select States as a result of the TANF Emergency Contingency Fund.	No	Q3 FY 11	Q2 FY 12	8

Centers for Medicare and Medicaid Services	Health Information Technology (Non-Tax Benefit Program)	\$19,320 million	other	OIG Staff	Health Insurance Technology System Enhancements at CMS (OAS)	The Recovery Act provides financial incentives through the Medicare and Medicaid programs to encourage doctors, hospitals, health clinics, and other entities to adopt and use certified EHRs. Medicare incentive payments are being phased out over time and replaced with financial penalties for providers that are not using EHRs. CMS systems require modification to manage these new requirements.	To determine whether health information technology (HIT) enhancements to CMS systems include standards adopted by HHS and that IT security controls are in place to protect sensitive EHR and personal information.	Yes	Q2 FY 11	Q1 FY 12	1
Centers for Medicare and Medicaid Services	Health Information Technology (Non-Tax Benefit Program)	\$1,045 million	other	OIG Staff	Breaches and Medical Identity Theft Involving Medicare Identification Numbers (OEI)	Section 13402 of the Recovery Act requires entities covered by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) to notify individuals of breaches of their personally identifiable information (PII). Such PII includes health information maintained by Medicare providers and contractors. Breaches of PII increase Medicare beneficiaries' and providers' vulnerability to medical identity theft. We will examine CMS's internal procedures and processes related to the Recovery Act's breach notification requirements and determine the number of known breaches involving beneficiary and provider Medicare identification numbers.	To assess CMS's compliance with new breach notification requirements for PII in the Recovery Act and CMS actions in response to any breaches of PII.	Yes	Q2 FY 10	Q4 FY 12	1
Centers for Medicare and Medicaid Services	Health Information Technology (Non-Tax Benefit Program)	\$8,630 million	other	OIG Staff	Medicare Incentive Payments for Electronic Health Records (OEI)	Sections 4101 and 4102 of the Recovery Act authorize incentive payments over a 5-year period to physicians and hospitals that demonstrate meaningful use of certified EHR technology. Bonus payments are scheduled to begin in 2011 and continue through 2016, with payment reductions to health care professionals who fail to become meaningful users of EHRs (section 4101(b)) beginning in 2015. According to Congressional Budget Office (CBO) estimates, Medicare net spending for incentives will total approximately \$20 billion. We will review Medicare incentive payments made to eligible health care professionals and hospitals for adopting EHRs and CMS safeguards to prevent erroneous incentive payments for the duration of the program. We will review Medicare incentive payment data from calendar year 2011.	To identify incentive payments made in error. If errors are identified, we will also assess CMS's actions to remedy incentive payments made in error and its plans for securing these payments for the duration of the incentive program.	Yes	Q2 FY 11	Q4 FY 12	TBA
Centers for Medicare and Medicaid Services	Health Information Technology	\$10,591 million	other	OIG Staff	State Medicaid Agencies' Progress Toward Implementing Medicaid Recovery Act Incentives for Electronic Health Records (OEI)	Section 4201 of the Recovery Act creates incentives for eligible health care professionals participating in Medicaid to adopt certified EHR technology. Although incentives are available under Medicare and Medicaid, eligible health care professionals are not allowed to receive incentive payments from both Medicare and Medicaid (section 4201(a)). The scope of this review is limited to Medicaid.	To determine (1) the progress State Medicaid agencies have made toward getting CMS approval for incentive payments and (2) when State Medicaid agencies plan to make incentives available to health care providers and hospitals.	Yes	Q2 FY 10	Q4 FY 11	1
Centers for Medicare and Medicaid Services	Health Information Technology	\$13,494 million	other	OIG Staff	Medicaid Incentive Payments for Electronic Health Records (OAS)	States are required to either develop new systems or modify existing systems that may contain EHR and personal information to oversee the Medicaid EHR incentive program. Incentive payments are scheduled to begin in 2011 and continue through 2019.	Review the IT controls over the systems that the States are using to capture meaningful use criteria and track payments to eligible professionals and hospitals.	No	Q2 FY 11	Q2 FY 12	TBD

Centers for Medicare and Medicaid Services	Health Information Technology	\$13,494 million	other	OIG Staff	Medicaid Incentive Payments for Electronic Health Records (OAS)	Section 4201 of the Recovery Act establishes a program for payment to providers who adopt and become meaningful users of EHR. The Recovery Act establishes financial incentives for meaningful EHR users not to exceed 6 years. CMS is currently planning to pay incentives to eligible hospitals and critical access hospitals beginning in October 2010 and to eligible professionals in January 2011. In addition, states can begin to receive the 90 percent Federal financial participation (FFP) match for some initial planning activities related to the administration of the incentive payments.	To determine whether (1) initial planning activities related to the administration of the incentive payments and (2) provider incentive payments claimed by the states were in accordance with Medicare, Medicaid and Recovery Act requirements.	Yes	Q3 FY 11	Q3 FY 12	4
Centers for Medicare and Medicaid Services	Medicaid Disproportionate Share Hospital Payments	\$595 million	administrative / financial	OIG Staff	Medicaid Disproportionate Share Hospital Payments (OAS)	Section 5002 of the Recovery Act provides fiscal relief to states by increasing most states' FY 2009 and 2010 Medicaid disproportionate share hospital (DSH) allotments by 2.5 percent. These payments are in addition to the regular payments that DSH hospitals receive for providing care to Medicaid beneficiaries. The Medicaid DSH allotment calculation is based on a statutory formula in the Social Security Act, § 1923. States receive an annual allotment to make payments to DSH hospitals to account for higher costs associated with treating uninsured and low-income patients.	To determine whether DSH expenditures were claimed in accordance with Medicaid requirements.	Yes	Q3 FY 11	Q3 FY 12	2
Centers for Medicare and Medicaid Services	Medicaid FMAP	\$85,311 million	administrative / financial	OIG Staff	Medicaid High-Risk Providers (OAS)	Past OIG work in the Medicaid program, combined with relatively high Medicaid payment error rates being reported under CMS's Payment Error Rate Measurement (PERM), raise concerns that high-risk areas need increased audit scrutiny because of the additional funding being provided under the Recovery Act.	To determine the accuracy of claims from selected provider types that have a high risk of claiming improper Medicaid payments.	Yes	Q4 FY 09	Q4 FY 11	15
Centers for Medicare and Medicaid Services	Medicaid FMAP	\$85,311 million	other	OIG Staff	States' Compliance with Prompt Payment Requirements for claiming increased Federal Medical Assistance Percentages (OAS)	Pursuant to Section 5001(f)(2) of the Recovery Act, a state is not eligible for increased FMAP when it has failed to pay claims timely. States must ensure that 90 percent of claims are paid within 30 days of receipt and 99 percent are paid within 90 days of receipt.	To determine whether states were in compliance with the prompt pay requirements in order to draw down increased FMAP funds.	Yes	Q3 FY 09	Q3 FY 11	6
Centers for Medicare and Medicaid Services	Medicaid FMAP	\$85,311 million	Other	OIG Staff	States' Use of Increased Recovery Act Funding (OAS)	Pursuant to Section 5001(f)(3) of the Recovery Act, a state is not eligible for increased FMAP if any amounts attributable (directly or indirectly) to such increase is deposited into any reserve or rainy day fund.	To determine how select states used their increased funding and whether states deposited increased FMAP funds (directly or indirectly) into any reserve or rainy day fund.	Yes	Q1 FY 10	Q3 FY 11	3
Centers for Medicare and Medicaid Services	Medicaid FMAP	\$85,311 million	administrative / financial	OIG Staff	Reconciliation of Expenditure Reports to Claim Data (OAS)	The state Medicaid Manual requires that amounts reported on the Medicaid expenditure reports be actual expenditures.	To determine whether the amounts reported on the Medicaid expenditure reports are supported by claim level data.	Yes	Q4 FY 09	Q4 FY 11	14
Health Resources and Services Administration	Community Health Centers	\$2,000 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient Capability Audits are important for ensuring that select grantees have the necessary systems and controls to enable them to manage Federal funds and meet grant requirements.	To determine whether select grantees have the systems and controls necessary to manage Federal funds and meet grant requirements.	Yes	Q4 FY 09	Q2 FY 11	19
Health Resources and Services Administration	Community Health Centers	\$2,000 million	administrative / financial	OIG Staff	Recipient Capability Audits (OAS)	Recipient Capability Audits are important for ensuring that select grantees have the necessary systems and controls to enable them to manage Federal funds and meet grant requirements.	To summarize the results to Health Resources and Services Administration (HRSA) as to whether select grantees have the systems and controls necessary to manage Federal funds and meet grant requirements.	No	Q3 FY 11	Q4 FY 11	1
Health Resources and Services Administration	Community Health Centers	\$2,000 million	administrative / financial	OIG Staff	Allowability of costs charged to Recovery Act grants (OAS)	Grant costs must be reasonable, allowable, and allocable in accordance with grant terms and Federal regulations.	To evaluate whether grant costs claimed by CHCs are allowable, allocable and reasonable costs under the terms of the grant and applicable Federal regulations.	No	Q3 FY 11	Q2 FY 12	16

Health Resources and Services Administration	Community Health Centers	\$2,000 million	administrative / financial	OIG Staff	Internal Controls Over Grant Monitoring Process (OAS)	Internal controls are important to ensure that use of funds is consistent with the Recovery Act.	To determine whether HRSA's internal controls for monitoring Recovery Act grants are effective and efficient.	Yes	Q1 FY 10	Q2 FY 11	1
Health Resources and Services Administration	Health Information Technology	\$28.4 million	other	OIG Staff	Health Resources and Services Administration Health IT Grants (OEI)	During 2007 and 2008, HRSA awarded 74 grants totaling \$50 million to health center-controlled networks (HCCNs) and large multisite health centers to implement EHRs and other HIT innovations to improve the safety and quality of health care delivery and to cut waste and duplication of care. The Recovery Act provided HRSA with an additional \$120 million for HCCNs to support EHR and HIT implementation and EHR quality improvement. HRSA's Bureau of Primary Health Care is charged with promoting the adoption and effective use of HIT through grants and technical assistance.	To assess grantee progress in implementing EHR and other HIT initiatives. We will examine HRSA's efforts to promote and oversee grantees' implementation of electronic health records.	Yes	Q4 FY 10	Q2 FY 12	1
HHS Cross-Cutting	Recipient Reporting	\$5.8 million	other	OIG Staff	Medicare and Medicaid Health Information Data Privacy (OEI)	Sections 13400 and 13402 strengthened and expanded the HIPAA Privacy Rule by creating new requirements that HIPAA-covered entities notify individuals when their unsecured PII is breached. Covered entities include health plans, health care clearinghouses, and health care providers who conduct certain health care transactions electronically. We will review selected HIPAA-covered Medicare and Medicaid program providers' compliance with the Privacy Rule and Recovery Act requirements that HIPAA covered entities notify individuals when their unsecured PII is breached. The Office of Civil Rights (OCR) is responsible for overseeing compliance with and enforcement of the Privacy Rule. The Recovery Act established new criminal and civil penalties for noncompliance, as well as new enforcement responsibilities (sections 13409 and 13410).	To determine whether Medicare and Medicaid providers comply with HIPAA and Recovery Act requirements. We will also review OCR's oversight of implementation of the HIPAA Privacy Rule and compliance with enforcement responsibilities authorized by Sections 13409 and 13410 of the Recovery Act.	Yes	Q2 FY 11	Q2 FY 12	1
National Institutes of Health	Scientific Research	\$8,200 million	administrative / financial	OIG Staff	Administrative and Clerical Costs (OAS)	In accordance with Section C.1 of OMB Circular A-21, the cost of a sponsored agreement includes the allowable direct costs incident to performance of the project plus the allocable portion of allowable facilities and admin costs. Section C.4.d.1 of the Circular mandates that colleges and universities receiving Federal grants contracts take responsibility for ensuring that all costs charged to these agreements are allowable.	To determine whether the University is treating administrative and clerical salaries as well as other costs normally charged as indirect costs on a consistent basis as either direct or indirect charges, except when incurred in "unlike circumstances" or incurred for a "major project" in accordance with OMB Circular A-21.	No	Q1 FY 11	Q4 FY 11	8
National Institutes of Health	Scientific Research	\$8,200 million	administrative / financial	OIG Staff	College and Universities Compliance with Federal Regulations (OAS)	During the course of OIG audits on administrative and clerical costs, limited steps will be performed to test the universities' compliance with OMB Circular A-21 and NIH grant agreements in several areas including recharge centers, investigator's level of commitment, cost transfers and extra compensation. The OIG will perform additional audits based on the results of this work.	To determine whether the University is claiming costs claimed for reimbursement on Federal grants are allowable in accordance with OMB Circular A-21.	No	Q3 FY 11	Q2 FY 12	8
National Institutes of Health	Scientific Research	\$8,200 million	administrative / financial	OIG Staff	Extra Compensation Paid to a State University (OAS)	In addition to the regular compensation earned by faculty members, some colleges and universities allow extra compensation to be earned for work performed above and beyond the faculty member's normal workload. For federally sponsored compensation additional rules that must be followed include compensation must be calculated based on the regular compensation of the faculty member, and compensation must be used in unusual circumstances and be approved by the sponsoring agency.	To determine if extra compensation is properly charged to federally sponsored agreements in accordance with OMB Circular A-21.	No	Q1 FY 11	Q3 FY 11	1

Office of the Secretary	Office of the National Coordinator for Health Information Technology	\$2,000 million	Other	OIG Staff	Review of EHR Certifications (OAS)	ONC issued standards and certification criteria aimed at ensuring that EHR systems will support the specific tasks required under meaningful use. ONC created a system by which technology review organizations could also qualify as ONC - Authorized Testing and Certification Bodies (ATCBs) that will certify EHR products as meeting the requirements necessary for meaningful use. This means EHR vendors can have their products certified as meeting criteria to support meaningful use.	Review ONC's oversight of ATCB's certification process to determine if the area of security was properly tested and certified. This will include review of some certified EHR packages that have received a certification from one of the ATCBs.	No	Q2 FY 11	Q1 FY 12	1
Office of the Secretary	Office of the National Coordinator for Health Information Technology	\$2,000 million	other	OIG Staff	Health Information Technology Standards (OAS)	Section 3003 of the Public Health Services Act (PHS Act), as added by section 13101 of the Recovery Act, establishes the HIT Standards Committee to recommend to ONC standards, interoperability specifications, and certification criteria.	To determine whether the process used by ONC to develop HIT-related standards, specifications, and criteria recommended to the HHS Secretary ensures that IT security controls have been adequately developed.	Yes	Q3 FY 09	Q2 FY 11	1
Office of the Secretary	Office of the National Coordinator for Health Information Technology	\$2,000 million	other	OIG Staff	Regional Extension Centers (OAS)	Regional Extension Centers (RECs) are intended to provide technical assistance, guidance, and information on best practices, including privacy and network security, and to support and accelerate health care providers' efforts to become meaningful users of EHRs. The extension program will include an estimated 70 RECs, each serving a defined geographic area. The RECs will support at least 100,000 primary care providers, through participating non-profit organizations, in achieving meaningful use of EHRs and enabling nationwide health information exchange.	We will determine whether ONC RECs provide IT security support for health providers.	No	Q2 FY 11	Q2 FY 12	TBD