

3.A. STRATEGY REQUEST
 80th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/18/2006
 TIME: 6:59:51PM

Agency code: **529** Agency name: **Health and Human Services Commission**

GOAL: 1 HHS Enterprise Oversight and Policy
 OBJECTIVE: 2 Client and Provider Accountability
 STRATEGY: 1 Office of Inspector General

Statewide Goal/Benchmark: 3 2
 Service Categories:
 Service: 17 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2005	Est 2006	Bud 2007	BL 2008	BL 2009
Output Measures:						
1	Number of Provider and Recipient Investigations	59,751.00	59,751.00	59,751.00	59,751.00	59,751.00
2	Number of Audits Performed	3,852.00	3,852.00	3,852.00	3,852.00	3,852.00
3	Number of Nursing Facility Reviews	899.00	899.00	899.00	899.00	899.00
4	Number of Hospital Utilization Reviews	266.00	266.00	266.00	266.00	266.00
5	Total Dollars Recovered (Millions)	442.00	442.00	442.00	442.00	442.00
6	Total Dollars Saved (Millions)	362.00	362.00	362.00	362.00	362.00
7	Referrals to OAG Fraud Control Unit	64.00	64.00	64.00	64.00	64.00
8	Cases: Fraud and Abuse System	1,980.00	1,980.00	1,980.00	1,980.00	1,980.00
Efficiency Measures:						
1	Average \$ Recovered & Saved/Completed Investigation, Review and Audit	168,392.37	168,392.37	168,392.37	136,397.82	136,397.82
Explanatory/Input Measures:						
1	Medicaid Providers Excluded	412.00	412.00	412.00	412.00	412.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$16,574,179	\$21,246,212	\$26,680,901	\$21,567,202	\$21,567,202
1002	OTHER PERSONNEL COSTS	\$1,118,874	\$868,245	\$933,500	\$761,822	\$761,822
2001	PROFESSIONAL FEES AND SERVICES	\$3,016,319	\$6,336,480	\$7,299,388	\$5,516,266	\$5,518,335
2002	FUELS AND LUBRICANTS	\$2,818	\$4,694	\$4,616	\$4,427	\$4,427
2003	CONSUMABLE SUPPLIES	\$182,033	\$352,571	\$323,029	\$298,280	\$298,280
2004	UTILITIES	\$489,907	\$674,612	\$881,314	\$869,095	\$869,095
2005	TRAVEL	\$883,476	\$1,503,509	\$1,484,935	\$1,344,799	\$1,344,799
2006	RENT - BUILDING	\$1,246,973	\$1,586,908	\$2,271,603	\$2,268,836	\$2,268,836
2007	RENT - MACHINE AND OTHER	\$196,826	\$413,054	\$217,031	\$244,962	\$246,997
2008	DEBT SERVICE	\$0	\$0	\$0	\$488,043	\$488,043
2009	OTHER OPERATING EXPENSE	\$1,585,095	\$3,218,394	\$6,829,914	\$4,869,389	\$4,869,482

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5000	CAPITAL EXPENDITURES	\$72,081	\$213,681	\$160,845	\$78,637	\$74,440
TOTAL, OBJECT OF EXPENSE		\$25,368,581	\$36,418,360	\$47,087,076	\$38,311,758	\$38,311,758

Method of Financing:

1	GENERAL REVENUE FUND	\$1,019,956	\$979,512	\$967,704	\$52,875	\$52,875
758	GR MATCH FOR MEDICAID	\$4,710,191	\$6,303,126	\$7,504,724	\$6,045,410	\$6,045,410
759	GR MOE FOR TANF	\$0	\$0	\$0	\$0	\$0
888	EARNED FEDERAL FUNDS	\$59,237	\$86,646	\$0	\$0	\$0
8010	GR MATCH FOR TITLE XXI	\$24,305	\$0	\$0	\$62,401	\$62,401
8014	GR MATCH FOOD STAMP ADM	\$2,520,692	\$4,716,418	\$4,738,103	\$4,981,976	\$4,981,976
8032	GR CERTIFIED AS MATCH FOR MEDICAID	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$8,334,381	\$12,085,702	\$13,210,531	\$11,142,662	\$11,142,662

Method of Financing:

555 FEDERAL FUNDS

10.559.000	Summer Food Service Prog	\$629	\$1,299	\$3,032	\$2,317	\$2,317
10.560.000	State Administrative Exp	\$4,579	\$24,255	\$56,425	\$43,111	\$43,111
10.561.000	St Admin Match Food Stamp	\$3,713,136	\$5,016,418	\$6,178,044	\$5,251,976	\$5,251,976
10.568.000	Emergency Food Assistanc	\$0	\$166	\$266	\$194	\$194
93.558.000	Temp AssistNeedy Families	\$2,520,692	\$2,090,698	\$2,542,687	\$2,166,804	\$2,166,804
93.558.667	TANF to Title XX	\$57	\$0	\$1,683	\$1,230	\$1,230
93.566.000	Refugee and Entrant Assis	\$1,304	\$3,076	\$7,171	\$5,479	\$5,479
93.667.000	Social Svcs Block Grants	\$147	\$823	\$236	\$237	\$237
93.767.000	CHIP	\$63,999	\$125,999	\$185,084	\$164,168	\$164,168
93.778.000	Medical Assistance Program	\$7,856,198	\$9,512,647	\$12,560,706	\$9,763,707	\$9,763,707
93.778.003	XIX 50%	\$0	\$0	\$0	\$0	\$0
93.778.004	XIX ADM @ 75%	\$0	\$0	\$0	\$0	\$0

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CFDA Subtotal, Fund	555	\$14,160,741	\$16,775,381	\$21,535,334	\$17,399,223	\$17,399,223
SUBTOTAL, MOF (FEDERAL FUNDS)		\$14,160,741	\$16,775,381	\$21,535,334	\$17,399,223	\$17,399,223
Method of Financing:						
	777 INTERAGENCY CONTRACTS	\$2,873,459	\$7,557,277	\$12,341,211	\$9,769,873	\$9,769,873
SUBTOTAL, MOF (OTHER FUNDS)		\$2,873,459	\$7,557,277	\$12,341,211	\$9,769,873	\$9,769,873
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$38,311,758	\$38,311,758
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$25,368,581	\$36,418,360	\$47,087,076	\$38,311,758	\$38,311,758
FULL TIME EQUIVALENT POSITIONS:		409.4	575.3	574.5	517.1	517.1

STRATEGY DESCRIPTION AND JUSTIFICATION:

The 75th Legislature in 1997 directed HHSC to create the Office of Investigations and Enforcement (OIE). The 78th Legislature in 2003 created the new Office of Inspector General (OIG). OIG assumed all the duties of OIE and also all fraud and abuse functions of other health and human services (HHS) agencies.

OIG is authorized under Section 531.102 of the Government Code to investigate waste, fraud, and abuse in Medicaid and welfare programs and to enforce state law relating to provisions of health and human services. OIG provides oversight of HHS activities, providers and recipients through compliance and enforcement activities designed to identify and reduce waste, abuse, or fraud and improve efficiency and effectiveness within the HHS system. To ensure quality, OIG operates in accordance to the National Association of Inspector General principles and standards, and all audit activity is performed in accordance to United States General Accounting Office Government Auditing Standards.

Functional sections include: Medicaid Provider Integrity;; Quality Review;; Third Party Recovery; Sanctions; Technology Analysis Development and Support; Audit; General Investigations; and Internal Affairs.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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OBJECTIVE:	2	Client and Provider Accountability	Service Categories:		
STRATEGY:	1	Office of Inspector General	Service:	17	Income: A.2 Age: B.3

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In December 2005, OIG initiated criminal history background checks for all applicants seeking to enroll in the Medicaid, Medicaid Managed Care, & Children with Special Health Care Needs (CSHCN) programs through Texas Medicaid and Healthcare Partnership (TMHP). Criminal background checks are performed for any person or business entity that is a principal applying to be a Medicaid provider, or to obtain a new provider or performing provider number.

OIG continues to assess & improve the quality of audits, investigations, reviews, advanced automated analysis tools & monitoring through standardizations, professional development, & establishment of a quality assurance function.

OIG faces increased responsibilities in the oversight & audit of additional HHS programs, & in the Federal Deficit Reduction Act (FDRA) of 2005. OIG caseloads in various divisions have increased as a result of expanding audit/investigation requirements for Long Term Care Facilities, Outpatient Hospitals, Managed Care Organizations, & additional HHS programs, such as SB 1188, the OIG Hotline & implementation of the Texas Homeland Security Strategic Plan. The FDRA implements Payment Error Rate Measurement (PERM) for claims in 2007 & all Medicaid & SCHIP programs in 2008. PERM requires greater oversight by CMS of the state's Medicaid & SCHIP payment accuracy. The FDRA creates the Federal Medicaid Integrity Program (MIP), which requires coordination, investigation & consultation with CMS MIP on Medicaid fraud & abuse investigations.