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FRANK PALLONE, JR., NEW JERSEY
RANKING MEMBER

ONE HUNDRED FIFTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–6115
Majority (202) 225–2927
Minority (202) 225–3641

June 23, 2017

The Honorable Seema Verma
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Ms. Verma:

Congratulations on your appointment and confirmation as Administrator of the Centers for Medicare and Medicaid Services. We look forward to working with you in strengthening and improving CMS programs and operations.

As part of the Committee's oversight and working relationship with the HHS Office of Inspector General (OIG), we have learned that there are more than 150 unimplemented recommendations issued in reports by the OIG to CMS or its predecessor agency, some dating back almost 30 years.

While we are concerned about this backlog of unimplemented recommendations, we believe there is a path forward to address this issue. The start of your term as CMS Administrator provides a tremendous opportunity to bring results-oriented management and accountability to CMS. In that spirit, and in consultation with the HHS OIG, attached is a list of 16 HHS OIG unimplemented recommendations made to CMS in a variety of prior HHS-OIG reports on Medicare and Medicaid. We believe that implementing these recommendations—all of which appear to be low cost and uncontested by CMS—within a year is an achievable goal. We have divided the list into Medicare Parts A and B, Medicare Part D, and Medicaid. We believe that implementing these recommendations is an achievable, short-term goal and is useful to improve and protect the Medicare and Medicaid programs, and to ensure quality care for beneficiaries.

In addition to the attached list of unimplemented recommendations, the OIG publishes a list of the top 25 unimplemented recommendations in its annual *Compendium of Unimplemented Recommendations*. These top unimplemented recommendations have been identified by OIG as

ones that would most positively impact HHS programs in terms of cost savings and/or quality improvements. CMS should also prioritize progress on these recommendations.

We would appreciate your consideration to CMS implementing the 12 attached recommendations by July 30, 2018. Please respond by July 14, 2017 if you are in agreement with this approach. If you have any questions, please contact Alan Slobodin of the Majority Committee staff at (202) 225-2927.

Sincerely,

Greg Walden
Chairman
Committee on Energy and Commerce

Tim Murphy
Chairman
Subcommittee on Oversight
and Investigations

Michael C. Burgess, M.D.
Chairman
Subcommittee on Health

cc: The Honorable Frank Pallone, Jr., Ranking Member
Committee on Energy and Commerce

The Honorable Gene Green, Ranking Member
Subcommittee on Health

The Honorable Diana DeGette, Ranking Member
Subcommittee on Oversight and Investigations

The Honorable Daniel Levinson, Inspector General
U.S. Department of Health and Human Services

Attachment

HHS OIG Unimplemented Recommendations to CMS on Medicare and Medicaid Attachment to Request from House Energy and Commerce, Subcommittee on Oversight and Investigations

June 23, 2017

Medicare Parts A and B

1. Home Health: The Centers for Medicare & Medicaid Services (CMS) should implement the home health agency (HHA) surety bond requirement.

   Surety Bonds Remain an Unused Tool to Protect Medicare from Home Health Overpayments (OEI-03-12-00070) https://oig.hhs.gov/oei/reports/oei-03-12-00070.pdf

2. Hospice: CMS should increase surveyor efforts to ensure that hospices meet care planning requirements.

   Hospices Inappropriately Billed Medicare Over $250 Million for General Inpatient Care (OEI-02-10-00491) https://oig.hhs.gov/oei/reports/oei-02-10-00491.pdf

3. Provider Enrollment: CMS should require the National Site Visit Contractor to improve quality assurance oversight and training of site visit inspectors.

   Enhanced Enrollment Screening of Medicare Providers: Early Implementation Results (OEI-03-13-00050) https://oig.hhs.gov/oei/reports/oei-03-13-00050.pdf

4. CMS should provide guidance to claims processors about handling Medicare Summary Notices that are returned as undeliverable.

   Over Four Million Medicare Summary Notices Mailed to Beneficiaries Were Not Delivered in 2012 (OEI-03-12-00600) https://oig.hhs.gov/oei/reports/oei-03-12-00600.pdf

Medicare Part D

1. CMS should reject prescription drug event (PDE) records for Schedule II drugs when the prescriber ID is invalid.

   State Agencies Claimed Unallowable and Unsupported Medicaid Reimbursements for Services Under the Home- and Community-Based Services Waiver Program (A-07-16-03212, October 2016): https://oig.hhs.gov/oas/reports/region7/71603212.pdf

2. CMS should require plan sponsors to report potential fraud and abuse to CMS and/or the Medicare Drug Integrity Contractor.

Medicare Drug Integrity Contractors' Identification of Potential Part D Fraud and Abuse (OEI-03-08-00420, October 2009): https://oig.hhs.gov/oei/reports/oei-03-08-00420.pdf

Medicaid

1. Transformed Medicaid Statistical Information System (T-MSIS): CMS should establish a deadline for when national T-MSIS data will be available.

   Early Outcomes Show Limited Progress for the Transformed Medicaid Statistical Information System https://oig.hhs.gov/oei/reports/oei-05-12-00610.pdf

2. Provider Data: CMS should provide guidance to State Medicaid programs on how to verify the completeness and accuracy of provider ownership information.

   Medicaid: Vulnerabilities Related to Provider Enrollment and Ownership Disclosure (OEI-04-11-00590) https://oig.hhs.gov/oei/reports/oei-04-11-00590.pdf

3. Provider Data: CMS should work with State Medicaid programs to educate providers on the requirement to report changes of ownership.

   Medicaid: Vulnerabilities Related to Provider Enrollment and Ownership Disclosure (OEI-04-11-00590) https://oig.hhs.gov/oei/reports/oei-04-11-00590.pdf

4. Provider Enrollment: CMS should ensure that State Medicaid programs check exclusions databases as required.

   Medicaid: Vulnerabilities Related to Provider Enrollment and Ownership Disclosure (OEI-04-11-00590) https://oig.hhs.gov/oei/reports/oei-04-11-00590.pdf

5. Home- and Community-Based Services (HCBS): CMS should reinforce Medicaid requirements that prohibit adding unallowable room-and-board costs to States' reimbursement payments for HCBS.

   State Agencies Claimed Unallowable and Unsupported Medicaid Reimbursements for Services Under the Home- and Community-Based Services Waiver Program (A-07-16-03212, October 2016): https://oig.hhs.gov/oas/reports/region7/71603212.pdf

6. National Correct Coding Initiative (NCCI): CMS should provide technical assistance to States to ensure that they use the NCCI edits correctly.

   Inconsistences in State Implementation of Correct Coding Edits May Allow Improper Medicaid Payments (OEI-09-14-00440) https://oig.hhs.gov/oei/reports/oei-09-14-00440.pdf