

Congress of the United States
Washington, DC 20515

February 8, 2016

The Honorable Daniel R. Levinson
Inspector General
Department of Health and Human Services
Office of the Inspector General
330 Independence Ave, SW
Washington, DC 20201

Dear Inspector General Levinson:

Your office had previously conducted studies and audit reports that have identified Medicare payments made on behalf of deceased beneficiaries. For example, in March 2011, you reported that despite having safeguards in place to prevent and recover Medicare payments made on behalf of deceased beneficiaries, the Centers for Medicare and Medicaid Services inappropriately paid \$23 million in 2011 after beneficiaries' deaths.¹ Recent reports looking at select States indicate that similar vulnerabilities exist in Medicaid.

For example, in October 2015, the New York State Office of the State Comptroller released a report titled *Appropriateness of Medicaid Eligibility Determined by the New York State of Health System* that found that the New York health marketplace lacked the necessary controls to periodically verify "life status" of enrolled Medicaid beneficiaries and remove deceased individuals from the program. This led to the inclusion of 354 deceased individuals in the Medicaid program (21 enrolled after their dates of death) and \$325,030 in overpayments, mainly in the form of managed care premiums, between October 1, 2013 and October 1, 2014.²

Additionally, a May 2015 Government Accountability Office (GAO) report also found indications of potential improper payments made on behalf of deceased Medicaid beneficiaries. Specifically, using fiscal year 2011 claims data from four states, GAO identified approximately 200 deceased individuals who appear to have received Medicaid benefits totaling at least \$9.6 million.³

As Congress considers future improvements to the Medicaid program, we believe additional analysis related to the program's vulnerabilities for paying for deceased individuals would provide useful data that could help inform our efforts. Therefore, we request that your office produce an analysis of the adequacy of Medicaid eligibility controls to verify "life status" to ensure that deceased beneficiaries are removed from the Medicaid program and the extent to

¹ <http://oig.hhs.gov/oei/reports/oei-04-12-00130.pdf>

² <http://www.osc.state.ny.us/audits/allaudits/093016/14s4.pdf>

³ <http://www.gao.gov/assets/680/670208.pdf>

which Medicaid has made payments on behalf of deceased beneficiaries. As you deem appropriate, please:

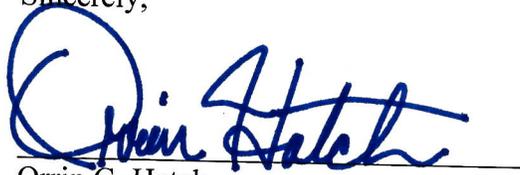
- describe state and federal processes to determine and verify “life status” of Medicaid beneficiaries, providers, or suppliers;
- determine how states ensure that deceased individuals are removed from the Medicaid program;
- identify the extent to which deceased beneficiaries remain enrolled in Medicaid; and
- identify and describe Medicaid payment made on behalf of deceased beneficiaries or payments have been made to deceased providers, or suppliers.

We look forward to continuing to work with you and your office. For questions about this request, please contact Josh Trent and Michelle Rosenberg with the Committee on Energy and Commerce at (202) 225-2927 or Kim Brandt with the Committee on Finance at (202) 224-4515. Thank you and your staff for your ongoing efforts to combat waste, fraud, and abuse in federal health care programs.

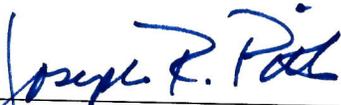
Sincerely,



Fred Upton
Chairman
Committee on Energy and Commerce
U.S. House of Representatives



Orrin G. Hatch
Chairman
Committee on Finance
U.S. Senate



Joseph R. Pitts
Chairman
Subcommittee on Health
Committee on Energy and Commerce