



BRIEFLY...

DEEOIC COULD DO MORE TO PREVENT IMPROPER PAYMENTS OF HOME HEALTH CARE COSTS

SEPTEMBER 16, 2021

WHY OIG CONDUCTED THE AUDIT

Between 2017 and 2019, the Office of Workers' Compensation Program's (OWCP) Division of Energy Employees Occupational Illness Compensation (DEEOIC) reported a total of over \$1 million in improper home health care payments. Home health care represented the majority of all medical benefits paid to claimants – \$3 billion out of a total of \$5 billion paid to claimants between 2001 and 2020. We conducted this audit due to concerns regarding the potential for providers to exploit these benefits through unauthorized billings in the Energy Program.

In 2000, Congress passed the Energy Employees Occupational Illness Compensation Act of 2000. The Act authorizes compensation and medical benefits for certain work-related illnesses to nuclear energy workers and their survivors. Medical benefits for covered illnesses include home and residential health care.

WHAT OIG DID

We performed an audit to determine the following:

Did the DEEOIC have controls to help identify and prevent the improper payment of home health care benefits?

READ THE FULL REPORT

<http://www.oig.dol.gov/public/reports/oa/2021/03-21-001-04-437.pdf>

WHAT OIG FOUND

While the DEEOIC generally had controls to identify and prevent improper payments of home health care costs, it lacked a data tracking and analysis system to capture, store, and analyze claims data, did not have sufficient operating guidance in the form of finalized policies and procedures, and did not have consistent and well qualified leadership monitoring the program. Having these controls in place would have allowed DEEOIC to identify trends and improper payments and ensure the unit is being managed properly, which it could then use to proactively analyze claims data and prevent improper payments.

No Data Tracking and Analysis System

Despite the fact that between 2017 and 2019, home health care costs were increasing, the PIU did not have a tracking mechanism to proactively identify and analyze causes of improper payments to avoid making improper payments. During our testing, we found instances in which data analytics would have helped the PIU identify potential improper payments before they were made. A tracking and analysis system might have helped prevent unauthorized payments.

Insufficient Operating Guidance

On January 2020, DEEOIC developed a draft SOP to guide the PIU's activities that contained detailed guidance for reviewing, auditing, and/or investigating claims. The draft SOP, however, was never finalized. Missing guidance could prevent the PIU from consistently and appropriately following procedures.

Lack of PIU Leadership

Although established in 2016, management of PIU staff was not consistent or well qualified to oversee performance and operations until the Performance Management Branch was created in 2020 and first Chief position was filled in June 2020. The lack of consistent and well qualified leadership was not in accordance with OMB A-123.

WHAT OIG RECOMMENDED

We made three recommendations to improve DEEOIC internal controls. OWCP agreed with all three and has already taken corrective actions on the issues we identified.