

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**MORE THAN 90 PERCENT OF THE
NEW HAMPSHIRE MANAGED
CARE ORGANIZATION AND
FEE-FOR-SERVICE CLAIMS FOR
OPIOID TREATMENT PROGRAM
SERVICES DID NOT COMPLY WITH
MEDICAID REQUIREMENTS**

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June 2022
A-01-20-00006

Office of Inspector General

<https://oig.hhs.gov>

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OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

Report in Brief

Date: June 2022

Report No. A-01-20-00006

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Audit

The Medicaid program pays for opioid treatment program (OTP) services. Prior Office of Inspector General (OIG) audit reports have identified OTP services as vulnerable to fraud, waste, and abuse.

Our objective was to determine whether New Hampshire claimed Medicaid reimbursement for OTP services in accordance with Federal and State requirements.

How OIG Did This Audit

We reviewed New Hampshire's monitoring and oversight of the OTP providers (providers), including compliance with Federal and State requirements, to determine whether: (1) counseling hour and toxicology testing requirements were met, (2) initial treatment plans were prepared, (3) treatment plans were reviewed as required, and (4) the OTP service was provided. We reviewed 100 randomly sampled claim lines of service from the 1,458,896 lines of service between July 1, 2016, to June 30, 2019, for which New Hampshire paid \$16.2 million.

More Than 90 Percent of the New Hampshire Managed Care Organization and Fee-for-Service Claims for Opioid Treatment Program Services Did Not Comply With Medicaid Requirements

What OIG Found

New Hampshire claimed Medicaid reimbursement for OTP services that did not comply with Federal and State requirements. Of the 100 OTP services we sampled, 6 complied with Federal and State requirements, but 94 did not meet applicable Federal and State requirements. These deficiencies occurred because New Hampshire did not have the resources to oversee providers and enforce the OTP requirements. Providers said high personnel turnover, difficulty attracting and retaining personnel, and difficulty keeping patients engaged in counseling services contributed to the lack of adherence to State requirements. Furthermore, New Hampshire did not always provide guidance regarding State OTP requirements.

On the basis of our sample results, we estimated that New Hampshire improperly claimed at least \$7.9 million in Federal Medicaid reimbursement for OTP services during our audit period.

What OIG Recommends and New Hampshire Comments

We made several recommendations to the New Hampshire Department of Health and Human Services, including that it: (1) refund \$7.9 million to the Federal Government, (2) take steps to ensure that providers comply with Federal and State requirements for providing and claiming Medicaid reimbursement for OTP services, and (3) improve communication with providers regarding the State requirements for opioid use disorder treatment and provide written confirmation about whether offsite counseling may be included as a required counseling service.

In written comments on our draft report, New Hampshire agreed with our recommendations and indicated that it will work with CMS to refund \$7,943,271 to the Federal Government. It also stated that it continues to work with Medicare contractors on provider oversight of substance use disorder treatments. New Hampshire stated that it recently completed a training with all of the OTP providers that included information on the allowability of offsite counseling. Lastly, New Hampshire said that its Bureau of Drug and Alcohol Services will perform a clinical audit of the OTPs in July 2022.

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INTRODUCTION

WHY WE DID THIS AUDIT

The United States currently faces a nationwide public health emergency due to the opioid crisis. The high potential for misuse of opioids has led to alarming trends across the country, including record numbers of people developing opioid use disorders. In 2019 alone, there were nearly 50,000 opioid-related overdose deaths in the United States. Opioid treatment programs (OTPs) provide medication-assisted treatment coupled with counseling and behavioral therapies (referred to in this report as “OTP services”) for people diagnosed with an opioid use disorder (OUD). As part of the Office of Inspector General’s (OIG’s) oversight of the integrity and proper stewardship of Federal funds used to combat the opioid crisis, we audited OTP providers (providers) located in New Hampshire.

OBJECTIVE

Our objective was to determine whether the New Hampshire Department of Health and Human Services (State agency) claimed Medicaid reimbursement for OTP services that met Federal and State requirements.

BACKGROUND

Medicaid Program

The Medicaid program provides medical assistance to low-income individuals and individuals with disabilities. The Federal and State Governments jointly fund and administer the Medicaid program. At the Federal level, the Centers for Medicare & Medicaid Services (CMS) administers the program. Each State administers its Medicaid program in accordance with a CMS-approved State plan. Although the State has considerable flexibility in designing and operating its Medicaid program, it must comply with applicable Federal requirements.

New Hampshire Opioid Treatment Programs

In New Hampshire, the State agency administers the Medicaid program and provides Medicaid reimbursement to providers. According to the State agency, a provider is any public or private corporation, individual, or organization that operates one or more programs for people with an OUD. The providers are certified by the New Hampshire Bureau of Drug and Alcohol Services (BDAS), which is an office under the State agency. In addition, BDAS monitors and regulates

these providers.¹ The providers provide methadone maintenance, detoxification, and other rehabilitation services for beneficiaries recovering from OUDs.

The New Hampshire Code of Administrative Rules (State regulations), chapter He-A 300, part He-A 304, contain the regulations governing the certification and operation of OUD treatment programs. The State's Medicaid regulations (He-W 513.05(e)) require, among other factors, OTP services to be delivered in accordance with part He-A 304 and a treatment plan in order to be covered by the State's Medicaid program. The State operational regulations governing the preparation of initial treatment plans and treatment plan reviews changed effective February 16, 2018.² Specifically, State regulations previously required providers to prepare the initial treatment plan following three counseling sessions in an outpatient treatment program, but now providers must prepare the initial treatment plan during the first counseling session following a patient's evaluation. Prior to February 16, 2018, State regulations generally required that providers review the treatment plans at least every 90 days, but now providers must review them every four counseling sessions or every 4 weeks, whichever is less frequent. There was also a change to the counseling requirement that limited the substitution of case management services for required counseling hours to 25 percent of the total number of required counseling hours.³

Under the State agency's Medicaid Managed Care Organization (MCO) contracts, MCOs must cover substance use disorder services (as defined under State regulations, part He-W 513), which requires the delivery of opioid treatment services (State regulations, part He-A 304). Some of the OTP services in our sample were paid by the MCOs.⁴

¹ BDAS monitoring and regulation of OTP providers includes conducting inspections before certifications are issued and renewed. BDAS holds monthly and quarterly conference calls with the OTP providers. In addition to BDAS, the Program Integrity Unit (PIU) monitors Medicaid claims for utilization compliance, and MCOs are case monitored by the PIU to ensure proper MCO compliance with claims and oversight of providers. The PIU also conducts provider reviews of retrospective claim history and medical record review for services rendered and documented as billed.

² Treatment plans are prepared by qualified personnel to determine the most appropriate combination of services and treatment.

³ Case management is a complex integrated health and social care intervention and makes a unique contribution to the health, social care, and participation of people with complex health conditions ([What is Case Management? A Scoping and Mapping Review](#); accessed Mar. 21, 2022). Under State regulations (He-A 304.09 (f)) prior to Feb. 16, 2018, case management services could be substituted on an hour-for-hour basis for any required counseling.

⁴ According to State agency officials, the State agency recovers overpayments for claims paid by Medicaid MCOs directly from providers, in accordance with section 26 of the State's Medicaid MCO contracts, and State agency officials confirmed they can recoup MCO-paid claims.

HOW WE CONDUCTED THIS AUDIT

Our audit covered Medicaid claims for OTP services (e.g., methadone administration) provided by two providers in New Hampshire from July 1, 2016, through June 30, 2019 (audit period).⁵ During this period, the State agency and New Hampshire's MCOs reimbursed 3 providers for claims with 2,289,597 OTP services totaling \$22,003,584, and of this amount the 2 providers we audited submitted claims with 1,458,896 OTP services and received Medicaid reimbursement totaling \$16,202,417 (\$10,953,007 Federal share).^{6, 7, 8} We selected and reviewed a stratified random sample of 100 OTP services to determine compliance with Federal and State requirements.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A contains the details of our audit scope and methodology, Appendix B contains our statistical sampling methodology, Appendix C contains our sample results and estimates, and Appendix D contains a list of related OIG reports.

FINDINGS

The State agency claimed Medicaid reimbursement for OTP services that did not comply with Federal and State requirements. Of the 100 OTP services we sampled, 6 complied with Federal and State requirements, but 94 did not meet applicable Federal and State requirements. Table 1 (on the next page) breaks down by the type of deficiency the 94 noncompliant sampled OTP services.

⁵ An OTP service is a reimbursable unit of service billed for a specific date within a claim.

⁶ The Federal share is greater than 50 percent because New Hampshire received enhanced Federal medical assistance percentages for fee-for-service claims and MCO capitation payments paid on behalf of expansion population beneficiaries. We calculated the amount the State paid by multiplying the total claim paid amount by the applicable Federal share percentage, which is based on the year in which the services were rendered, and the Medicaid expansion indicator code (Y/N) contained in the Medicaid data.

⁷ Individual counseling and methadone administration accounted for nearly all of the services provided to patients.

⁸ We selected two of the three providers for this audit.

Table 1: Summary of Noncompliant Sampled OTP Services by Type of Deficiency

Deficiency	Number of Noncompliant Sampled OTP Services*
Required Hours for Counseling Services Were Not Provided for Methadone Maintenance	93
Initial Treatment Plans Were Either Not Prepared or Not Prepared Within Required Timeframes	8
Drug Tests Were Not Performed as Required by State Regulations	20
Services Were Not Documented	1
Treatment Plan Review Requirements Were Not Met	85
* The total exceeds 94 because many sampled services had more than 1 deficiency.	

According to BDAS officials, these deficiencies occurred because the State agency did not have the resources to oversee the providers and enforce the OTP requirements. Providers stated that high personnel turnover, difficulty attracting and retaining personnel, and difficulty keeping patients engaged in counseling services contributed to the lack of adherence to State requirements. Furthermore, there was no guidance provided by BDAS to the providers regarding the documentation and credit of offsite counseling hours towards meeting the State OTP requirements.

On the basis of our sample results, we estimated that the State agency improperly claimed at least \$7,943,271 in Federal Medicaid reimbursement for OTP services during our audit period.⁹

THE STATE AGENCY DID NOT ENSURE THAT OPIOID TREATMENT PROGRAM SERVICES MET FEDERAL AND STATE REQUIREMENTS

Required Hours for Counseling Services Were Not Provided for Methadone Maintenance

Counseling is part of the treatment for OUDs (42 CFR § 8.12(f)(5)). Specifically, State regulations require patients who receive OTP services to complete a certain number of counseling hours per month, depending on the patient intake date and drug screening results. Required counseling can generally range from 1 hour per month for patients who have been

⁹ To be conservative, we recommend recovery of overpayments at the lower limit of a two-sided 90-percent confidence interval. Lower limits calculated in this manner are designed to be less than the actual overpayment total 95 percent of the time.

receiving services for 910 days or more and have negative drug test results to 8 hours per month for new clients and those who have a recent positive drug test.¹⁰

For 93 of the 100 OTP services in our sample, patients did not receive the required number of counseling hours every month during the year prior to receiving the sampled OTP services. For example, a patient associated with one sampled OTP service required 8 hours of counseling per month.^{11, 12} However, the counseling records showed that the number of counseling hours per month for this patient ranged from .5 to 2.5 hours.

Providing fewer counseling services than are clinically necessary may negatively affect the outcome of a patient's treatment.

Initial Treatment Plans Were Either Not Prepared or Not Prepared Within Required Timeframes

Providers must prepare an initial treatment plan for a new patient entering treatment at an OTP for the patient to receive OUD treatment services. Federal regulations state: "Each patient accepted for treatment at an OTP shall be assessed initially and periodically by qualified personnel to determine the most appropriate combination of services and treatment."¹³ This initial assessment must include the preparation of a treatment plan. State regulations required providers to prepare the initial treatment plan following three counseling sessions in an outpatient treatment program.¹⁴ For the latter part of the audit period (after Feb. 16, 2018), the regulations require providers to develop the treatment plan in the first counseling session following a patient's evaluation.¹⁵

For 8 of the 100 OTP services in our sample, providers did not prepare initial treatment plans within the required timeframes. Specifically, providers did not prepare an initial treatment plan for two of the eight OTP services for dates of service prior to February 16, 2018. For the

¹⁰ State regulations, He-A 304.09 (effective prior to Feb. 16, 2018) and He-A 304.23(o), (p), and (r) (effective Feb. 16, 2018). Under He-A 304.23(p), for patients who are required to have 8 hours of counseling per month, the OTP may reduce the number of hours by up to 4 hours if clinical staff determine that such a reduction will not result in an increased risk assessment.

¹¹ The provider admitted this patient 6 months prior to the date of service, and the patient had positive drug tests.

¹² We included offsite counseling hours when determining whether the required number of counseling hours were met. This example does not include offsite counseling hours in the monthly totals.

¹³ 42 CFR § 8.12(f)(4).

¹⁴ State regulations, He-A 302.08 (b) (effective prior to Feb. 16, 2018). State rules on Medicaid coverage requirements incorporate He-A 304 and He-A 304.06(b)(1) and require the preparation of treatment plans according to He-A 302.08.

¹⁵ State regulations, He-A 304.23 (f) (effective Feb. 16, 2018).

remaining six OTP services that were rendered on and after February 16, 2018, providers did not prepare the initial treatment plan until at least 7 days after the first counseling session.

For example, a patient was admitted to an OTP program on November 11, 2017; however, the medical records showed that the initial treatment plan was not prepared until March 15, 2018, which was 101 days after the third counseling session that occurred on December 4, 2017.

If treatment plans are not prepared within the required timeframe, providers may not address treatment issues that require prompt attention.

Drug Tests Were Not Performed as Required by State Regulations

Per Federal regulations, drug abuse testing services are required for OTP patients. Providers must provide adequate testing or analysis for drugs of abuse.¹⁶ State regulations generally require patients to have, at a minimum, a drug screen upon admission and randomly every week thereafter for the first 3 months of treatment, and then a minimum monthly random drug screen during the rest of their treatment.¹⁷

For 20 of the 100 OTP services in our sample, patients did not receive the required minimum number of drug screenings during the year, which includes the patients' required weekly drug tests for the first 3 months of treatment followed by monthly drug tests while in OTP treatment thereafter.

For example, for 1 sample item, the associated patient required 16 drug tests during the period from the date of admission (Dec. 22, 2016) to the sample item's date of service (June 27, 2017). For the first 3 months of service, this patient should have received 13 tests (the initial test and 1 per week for 12 weeks), and the patient should have received 3 more monthly tests thereafter. The medical records showed that only 14 drug tests were performed during this time.

Providers may not identify issues that require prompt attention (e.g., drug relapse) when required drug tests are not performed.

Services Were Not Documented

Every person or institution providing services under a State plan must agree to keep such records as are necessary to fully disclose the extent of the services provided to individuals receiving assistance under the State plan and furnish the State agency or the Secretary with such information regarding any payments claimed by such person or institution for providing

¹⁶ 42 CFR § 8.12(f)(6).

¹⁷ State regulations, He-A 304.12 (a) through (d) (effective prior to Feb. 16, 2018) and He-A 304.24 (effective Feb. 16, 2018).

services under the State plan, as the State agency or the Secretary may from time to time request.¹⁸

For one sampled OTP service of methadone administration, the provider was unable to locate any medical records or other documentation to support the delivery of this billed service.

Treatment Plan Review Requirements Were Not Met

Under Federal regulation 42 CFR § 8.12(f)(4), treatment plans must be reviewed. State regulations addressing treatment plan reviews were revised effective February 16, 2018. Prior to February 16, 2018, although the interval between treatment plan reviews varied based on the length of the program, State regulations generally required that providers review their treatment plans every 90 days (4 times per year) for programs in excess of 180 days.¹⁹ On and after February 16, 2018, State regulations require providers to review and update treatment plans based on changes in any American Society of Addiction Medicine criteria domains no less than every four counseling sessions or every 4 weeks, whichever is less frequent.²⁰

During the treatment plan review, a counselor meets with the patient to discuss the patient's goals and steps that can be taken to achieve them. For example, a patient stated the goal to "stop relapsing," and the counselor suggested that the patient begin the process of creating a relapse prevention plan.

For 85 OTP services in our sample, the providers did not complete the required number of treatment plan reviews during the 1-year period prior to the dates of the sampled OTP services. We found that the number of treatment plan reviews during the year ranged from 0 to 3. This requirement is not a condition of payment; therefore, we did not include these errors as overpayments.

If treatment plans are not reviewed within the required timeframe, providers may not address treatment issues that require prompt attention.

THE STATE AGENCY DID NOT ADEQUATELY MONITOR PROVIDERS TO ENSURE THAT THEY COMPLIED WITH FEDERAL AND STATE REQUIREMENTS, AND PROVIDERS ALSO FACED CHALLENGES

The State agency did not adequately monitor providers to ensure that they complied with Federal and State requirements. According to BDAS officials responsible for overseeing the providers, BDAS did not adequately monitor the providers because it lacked the necessary resources to do so. Specifically, during our audit period, there was only one staff person

¹⁸ Social Security Act § 1902(a)(27).

¹⁹ State regulations, He-A 302.08 (a) and (e) through (h) (effective prior to Feb. 16, 2018).

²⁰ State regulations, He-A 304.23 (h) (effective Feb. 16, 2018).

assigned to monitor the three providers. Furthermore, BDAS officials indicated that they were unable to enforce the OTP requirements governing providers. Specifically, they said that due to limited resources including staffing shortages, the State could not effectively enforce these requirements.

Providers stated that high personnel turnover and difficulty attracting and retaining personnel contributed to their lack of compliance with State requirements for OUD treatment. According to one provider, it did not comply with the State requirements because it: (1) finds it difficult to meet the State requirements because of the stringent requirements to hire program directors and the lack of cohesive management at the clinic level that results from it, (2) sometimes cannot keep patients engaged in the required counseling services, and (3) lacked a way to track services rendered and identify patients who are not meeting the State requirements.²¹

During our audit, we identified a lack of clear and consistent guidance from the State agency to the providers regarding certain State requirements. According to the State agency, offsite counseling counts toward the counseling hour requirement;²² however, one of the providers, based on its interpretation of the State requirements, did not think offsite counseling was an acceptable form of counseling to meet the requirement. The State requirements do not specifically address whether offsite counseling hours count toward its counseling hour requirement. We could not find any indication that the State agency has provided clarification to providers on this matter.²³

On the basis of our sample results, we estimated that the State agency improperly claimed at least \$7,943,271 in Medicaid reimbursement during our audit period.

RECOMMENDATIONS

We recommend that the New Hampshire Department of Health and Human Services:

- refund \$7,943,271 to the Federal Government;
- ensure that providers comply with Federal and State requirements for providing and claiming Medicaid reimbursement for OTP services by:

²¹ After the audit period, one of the providers implemented a computer edit designed to track services rendered.

²² Offsite counseling is counseling provided by a person or organization other than the provider providing the patient with OUD treatment services.

²³ Based on discussions with State officials, offsite counseling hours count towards meeting State counseling requirements; however, there is no regulatory guidance to support the inclusion of offsite counseling services in meeting State requirements.

- considering whether BDAS needs additional resources to oversee providers, and
- working with providers to recruit, retain, and train personnel on skills to adequately track and document OTP services rendered to patients; and
- improve communication with providers regarding the State requirements for OUD treatment and provide written confirmation to providers about whether offsite counseling may be included as a required counseling service.

STATE AGENCY COMMENTS

In written comments on our draft report, the State agency agreed with our recommendations and described the actions it has taken and plans to take to address them. Specifically, the State agency indicated that it will work with CMS to refund \$7,943,271 to the Federal Government. The State agency stated that it continues to work with the MCOs on provider oversight of substance use disorder treatments, such as addressing the difficulty health care providers experience recruiting and retaining direct workforce. However, the State agency said it does not believe the OTP services are being rendered by clinically unqualified personnel. Additionally, the State agency said that it takes the lack of counseling services seriously and recently completed training with all of the OTP providers that included information on the allowability of offsite counseling. Lastly, the State agency said that BDAS is scheduled to perform a clinical audit of the OTPs in July 2022.

The State agency's comments are included in their entirety as Appendix E.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

Our audit covered 1,458,896 OTP services totaling \$16,202,417 (\$10,943,623 Federal share) in Medicaid payments for OUD treatment services provided by two providers and claimed by the State agency during the period July 1, 2016, through June 30, 2019. An OTP service is a reimbursable unit of service (e.g., methadone administration) billed for a specific date within a claim.

Of the 1,458,896 OTP services, we reviewed a stratified random sample of 100 OTP services. We obtained and reviewed documentation from each provider to determine whether the OTP services complied with certain Federal and State requirements.

We did not assess the overall internal control structure of the State agency or the Medicaid program. Rather, we limited our review of internal controls to those applicable to our audit objective. Specifically, we assessed the State agency's internal control components related to the OTP program, including: (1) the duties of the responsible parties, (2) the monitoring and evaluation activities that were in place, and (3) how internal control problems were resolved.

Although our audit included services paid through the MCOs, we did not include in our audit a review of the State agency's oversight of the MCOs or its payment methodology, and we did not audit the MCOs' capitation payments.

METHODOLOGY

To accomplish our objective, we:

- reviewed Federal and State laws and regulations related to Medicaid OTP services;
- reviewed contracts between the State agency and MCOs;
- reconciled the State agency's Medicaid Management Information System data with financial information provided by the providers for State fiscal years 2017, 2018, and 2019;
- held discussions with State agency and providers to gain an understanding of the program;
- assessed the control environment, risk assessment, control activities, information and communication, and monitoring;

- assessed the reliability of data by reconciling it to financial information provided by the providers and testing randomly selected claim lines;
- identified a sampling frame of services provided during the period July 1, 2016, through June 30, 2019, to Medicaid beneficiaries diagnosed with an OUD;
- selected a stratified random sample of 100 OTP services (Appendix B) and reviewed each sample item to determine compliance with State requirements in the following areas:
 - counseling services,
 - initial treatment plan preparation,
 - drug tests, and
 - treatment plan reviews;
- estimated the number of unallowable OTP services during the audit period and the associated Federal Medicaid reimbursement; and
- provided and discussed the results of our audit of the sample items with the State agency on September 17, 2021.

See Appendix B for our statistical sampling methodology and Appendix C for our sample results and estimates.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDIX B: STATISTICAL SAMPLING METHODOLOGY

SAMPLING FRAME

The sampling frame consisted of 1,458,896 reimbursable units of service (OTP services) totaling \$16,202,417 (\$10,943,623 Federal share) provided to Medicaid beneficiaries from July 1, 2016, through June 30, 2019, and paid by the State agency and MCOs to providers. Each OTP service in the sampling frame had a payment amount of \$5 or more.

SAMPLE UNIT

The sample unit was a reimbursable unit of service.

SAMPLE DESIGN AND SAMPLE SIZE

Our sample design was a stratified random sample containing 2 strata as follows:

Table 2: Frame Description and Sample Sizes

Stratum	Opioid Treatment Program Provider	Number of Frame Units	Frame Paid Amount	Frame Federal Share	Sample Size
1	OTP Provider A	815,805	\$8,337,422	\$5,524,999	50
2	OTP Provider B	643,091	\$7,864,995	\$5,418,623	50
	Total	1,458,896	\$16,202,417	\$10,943,623	100

SOURCE OF RANDOM NUMBERS

The source of the random numbers for selecting sample services was the OIG, Office of Audit Services, statistical software.

METHOD OF SELECTING SAMPLE UNITS

We consecutively numbered the sample units in each stratum of the sampling frame. After generating numbers for each stratum, we selected the corresponding frame items to review.

ESTIMATION METHODOLOGY

We used the OIG/OAS statistical software to estimate the number and value (Federal share) of any unallowable OTP services in the sampling frame. To be conservative, we recommend recovery of unallowable payments at the lower limit of a two-sided 90-percent confidence interval. Lower limits calculated in this manner are designed to be less than the actual total of unallowable payments in the sampling frame 95 percent of the time. Estimates are contained in Appendix C.

APPENDIX C: SAMPLE RESULTS AND ESTIMATES

Table 3: Sample Details and Results – Federal Share

Stratum	Frame Size	Value of Frame (Federal Share)	Sample Size	Value of Sample (Federal Share)	Number of Unallowable Sampled OTP Services	Value of Unallowable Sampled OTP Services (Federal Share)
1	815,805	\$5,524,999	50	\$308	44	\$273
2	643,091	5,418,623	50	319	50	319
Total:	1,458,896	\$10,943,622	100	\$627	94	\$592

**Table 4: Estimated Value and Number of Unallowable OTP Services in the Sampling Frame
(Limits Calculated at the 90-Percent Confidence Level)**

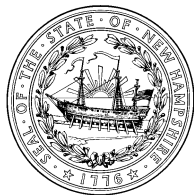
Overall	Unallowable Value (Federal Share)	Number of Unallowable OTP Services
Point estimate	\$8,560,376	1,360,999
Lower limit	7,943,271	1,298,707
Upper limit	\$9,177,480	1,423,292

APPENDIX D: RELATED OFFICE OF INSPECTOR GENERAL REPORTS

Report Title	Report Number	Date Issued
<i>California Improperly Claimed at Least \$23 Million of \$260 Million in Total Medicaid Reimbursement for Opioid Treatment Program Services</i>	<u>A-09-20-02009</u>	4/20/2022
<i>About Seventy-Nine Percent of Opioid Treatment Program Services Provided to Medicaid Beneficiaries in Colorado Did Not Meet Federal and State Requirements</i>	<u>A-07-20-04118</u>	9/21/2021
<i>California Claimed at Least \$2 Million in Unallowable Medicaid Reimbursement for a Selected Provider’s Opioid Treatment Program Services</i>	<u>A-09-20-02001</u>	1/25/2021
<i>Ohio Made Progress Toward Achieving Program Goals for Enhancing Its Prescription Drug Monitoring Program</i>	<u>A-05-18-00004</u>	12/29/2020
<i>Opioid Treatment Programs Reported Challenges Encountered During the COVID-19 Pandemic and Actions Taken To Address Them</i>	<u>A-09-20-01001</u>	11/18/2020
<i>Update on Oversight of Opioid Prescribing and Monitoring of Opioid Use: States Have Taken Action To Address the Opioid Epidemic</i>	<u>A-09-20-01000</u>	10/7/2020
<i>SAMHSA’s Oversight of Accreditation Bodies for Opioid Treatment Programs Did Not Comply With Some Federal Requirements</i>	<u>A-09-18-01007</u>	3/6/2020
<i>New York Claimed Tens of Millions of Dollars for Opioid Treatment Program Services That Did Not Comply With Medicaid Requirements Intended To Ensure the Quality of Care Provided to Beneficiaries</i>	<u>A-02-17-01021</u>	2/4/2020
<i>California Made Progress Toward Achieving Program Goals for Enhancing Its Prescription Drug Monitoring Program</i>	<u>A-09-18-01006</u>	12/10/2019
<i>New York Achieved Program Goals for Enhancing Its Prescription Drug Monitoring Program</i>	<u>A-02-18-02001</u>	8/8/2019
<i>Oversight of Opioid Prescribing and Monitoring of Opioid Use: States Have Taken Action To Address the Opioid Epidemic</i>	<u>A-09-18-01005</u>	7/24/2019
<i>The University of Kentucky Made Progress Toward Achieving Program Goals for Enhancing Its Prescription Drug Monitoring Program</i>	<u>A-04-18-02012</u>	5/30/2019
<i>Washington State Made Progress Toward Achieving Program Goals for Enhancing Its Prescription Drug Monitoring Program</i>	<u>A-09-18-01001</u>	4/15/2019

<i>The Substance Abuse and Mental Health Services Administration Followed Grant Regulations and Program-Specific Requirements When Awarding State Targeted Response to the Opioid Crisis Grants</i>	A-03-17-03302	3/28/2019
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APPENDIX E: STATE AGENCY COMMENTS



Lori A. Shibinette
Commissioner

Henry D. Lipman
Director

STATE OF NEW HAMPSHIRE DEPARTMENT OF HEALTH AND HUMAN SERVICES *DIVISION OF MEDICAID SERVICES*

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June 2, 2022

Department of Health and Human Services
Office of Inspector General, Office of Audit Services, Region I
John F. Kennedy Federal Building
15 New Sudbury Street, Room 2425
Boston, MA 02203

Re: A-01-20-00006

Dear Mr. Roy;

We are responding to audit findings received in the Office of Inspector General (OIG) audit report *More Than 90 Percent of the New Hampshire Managed Care Organization and Fee for Service Claims for Opioid Treatment Program Services Did Not Comply With Medicaid Requirements*, A-01-20-00006. DHHS appreciates the OIG's thorough and fair review, as well as the cooperation and ongoing communication provided by the OIG auditors during the course of the audit.

The audit report included three recommendations for New Hampshire Department of Health and Human Services (DHHS). We agree with the recommendations and outline our corrective actions below.

Recommendation 1:

- *refund \$7,943,271 to the Federal Government.*

We will refund the \$7,943,271 to the Federal Government. We will work with CMS on the repayment.

Recommendation 2:

- *ensure that providers comply with Federal and State requirements for providing and claiming Medicaid reimbursement for [Opioid Treatment Provider] OTP services by:*
 - *considering whether BDAS needs additional resources to oversee providers,*
 - *working with providers to recruit and retain qualified personnel and track the OTP services they render to patients.*

DHHS staff have been engaged with our contracted managed care organizations (MCOs) on SUD treatment provider oversight. DHHS is working to enhance contract management of the MCOs to strengthen systematic monitoring of OTP providers. The Department is assessing the work of the MCOs and OTP providers in light of recent corrective actions to evaluate and realign DHHS resources to address the findings.

New Hampshire is not unique in the difficulty healthcare providers experience recruiting and retaining direct workforce. The DHHS is participating on integrated efforts to develop the healthcare workforce, including

participation in a diverse stakeholder workgroup convened by the State's Endowment for Health in 2021, and hosting a Roundtable event to build off the recommendations of that group in April 2022. Over 70 healthcare thought leaders from around the State convened to identify aligned priority projects and strategies that the Department is uniquely positioned to help collaboratively address. We believe these efforts are important to ensuring care is delivered timely and with appropriate documentation. DHHS does not believe OTP services are being rendered by clinically unqualified personnel.

Recommendation 3:

- *improve communication with providers regarding the State requirements for OUD treatment and provide written confirmation to providers about whether offsite counseling may be included as a required counseling service.*

We take seriously the lack of documented counseling hours in the sample you reviewed. The Bureau of Drug and Alcohol Services (BDAS) and Medicaid Program Integrity Unit (PI) completed a training on May 19, 2022 with all Opioid Treatment Providers (OTPs) and the Department's contracted Managed Care Organizations (MCOs) in attendance. A Power Point was presented that included the Federal and State requirements for providing and claiming Medicaid reimbursement for OTP services. The training included specific information regarding the allowability of offsite counseling to fulfill the required counseling services and emphasized the requirement to adequately obtain and retain documentation of the counseling hours.

The Department is working closely with its Managed Care Organizations (MCOs) and has already communicated with its MCOs regarding expectations for training and oversight of OTPs, including ongoing clinical monitoring and claims review. The Medicaid Program Integrity Unit (PI) met with each of the MCO Investigation units on 5/17/22, 5/19/22, and 5/24/22 to review the issues found by the OIG. The MCO Investigation units have been instructed to perform their own review of claims over the past 2 years for all of the OTP providers. The MCOs will have until August 1, 2022 to complete the prior-year reviews and report findings.

Additionally, BDAS will also perform a clinical audit of the OTPs in July 2022 and use this as an opportunity conduct further provider training and work with MCOs on developing an ongoing audit/review tool. The MCOs will be required to conduct regular and ongoing reviews which will expand upon oversight of the State's regulations and standards for care.

The DHHS is grateful for the opportunity to provide these comments in response to the audit report. We are committed to working with OTP providers and Managed Care Organizations to ensure OTPs are available to provide critical treatment services which meet New Hampshire's high standards of care.

If you have any questions regarding this response please do not hesitate to contact me, Henry Lipman at Henry.lipman@dhhs.nh.gov or our Director of the Division of Program Quality and Integrity, Meredith Telus at Meredith.telus@dhhs.nh.gov.

Sincerely,



Henry D. Lipman
Medicaid Director



Meredith J. Telus
Program, Quality and integrity Director