

## Medicaid Fraud Control Units: 2020 Results

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### Key Points:

- The OIG reported that MFCUs recovered more than [\\$1 billion in Fiscal Year 2020](#).
- MFCUs evidenced a return on investment (ROI) of \$3.36 per \$1 spent.

The Department of Health and Human Services (HHS) Office of the Inspector General (OIG) oversees the Medicaid Fraud Control Units (MFCUs), which operate in 50 states, the District of Columbia, Puerto Rico, and the United States Virgin Islands. The MFCUs investigate and prosecute Medicaid provider fraud and patient abuse or neglect. As part of its oversight, the OIG provides technical guidance to the MFCUs; assesses their adherence to federal statutes, regulations, policy, and performance standards; and collects and analyzes performance data. For fiscal year (FY) 2020, combined federal and state expenditures for the MFCUs totaled approximately \$306 million, of which approximately \$230 million represented federal funds.

The OIG issued the [Medicaid Fraud Control Units Fiscal Year 2020 Annual Report](#), which analyzes data provided by the MFCUs. The report notes that the pandemic resulted in significant challenges for staff, operations, and court proceedings, and thereby impacted case outcomes in FY 2020. Highlights of the data related to MFCU cases include the following:

- 1,017 convictions.
- 786 civil settlements and judgments, an almost 20 percent increase from FY 2019.
- \$855 million in civil recoveries, a 48 percent decrease from FY 2019.
- 146 convictions related to drug diversion, a 30 percent decrease from FY 2019.
- \$173 million in criminal recoveries, an almost 45% decrease from FY 2019.
- 786 civil settlements and judgments.
- 928 of the 2,148 OIG exclusions in FY 2020 resulted from MFCU cases.
- Fraud convictions involving personal care services attendants and agencies accounted for 47% of total convictions.
- Among provider types, pharmaceutical manufacturers ranked highest in the number of civil settlements, followed by medical device manufacturers.

- 928 of the 2,148 OIG exclusions in FY 2020 resulted from MFCU cases.
- Overall, MFCU efforts contributed to recoveries of \$1 billion, with an ROI of \$3.36 for every \$1 spent.

For more information on the MFCUs, contact Richard Kusserow at [rkusserow@strategicm.com](mailto:rkusserow@strategicm.com).

During his tenure as the HHS Inspector General, he oversaw the establishment and management of many of the state units.