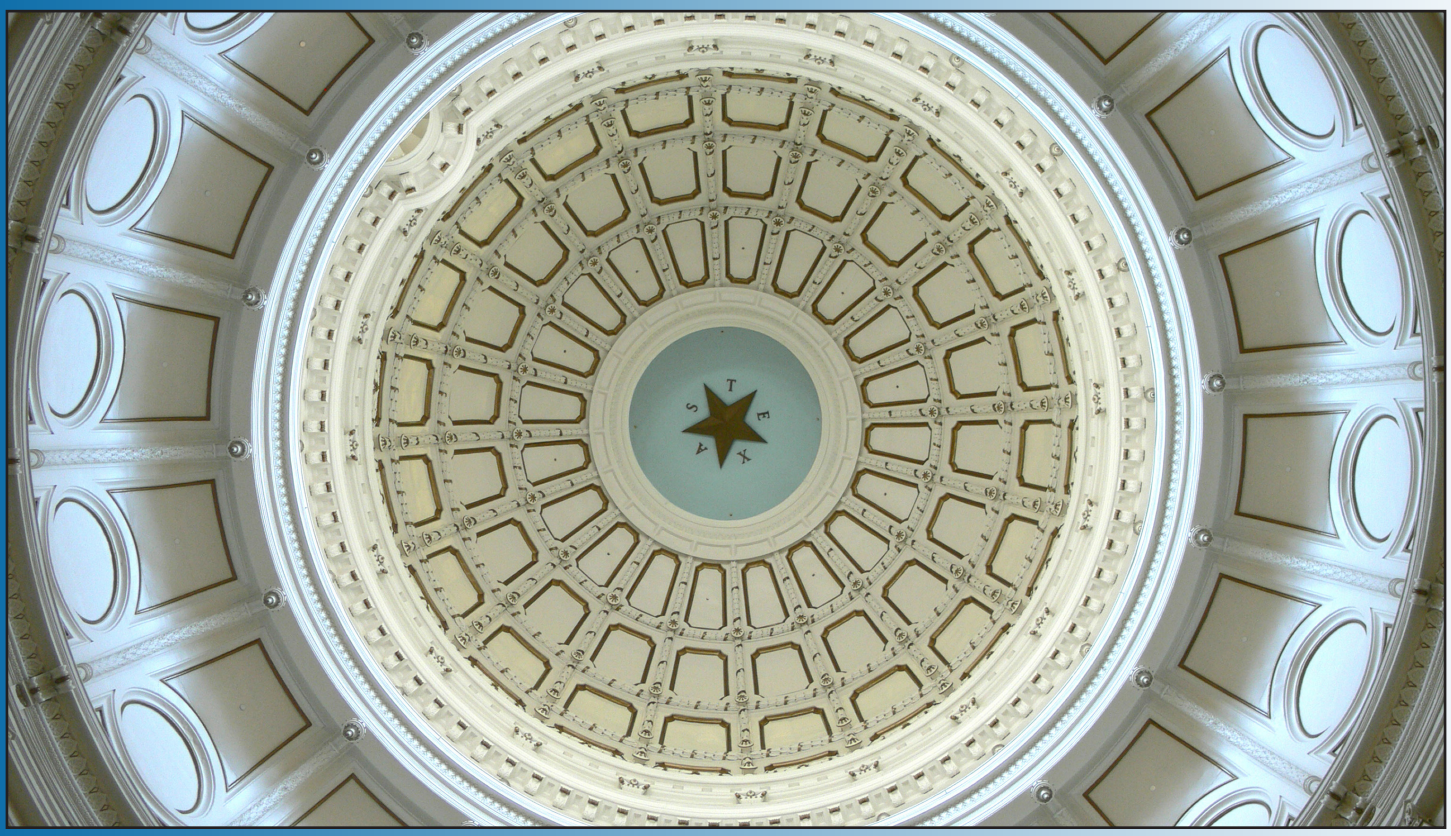
Texas Health and Human Services Commission

Inspector General



Quarterly Report

June 2016

PROFESSIONALISM
PRODUCTIVITY
PERSEVERANCE

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Message from the Inspector General

I am pleased to submit this quarterly report to the Governor, the new Executive Commissioner Charles Smith and his leadership team, the Members of the Legislature, and the Citizens of Texas.

This report captures the progress my team and I made during the third quarter of FY 2016, as we continue to build an agency that vies to be the best state-level IG in the country. Achieving this vision depends on our steady and strong adherence to the IG core values: professionalism, productivity, and perseverance. Ultimately, our success stems from the continuous mission commitment by hundreds of IG team members across the state, many of whom IG executive leadership visited this quarter in Dallas, San Antonio, and Corpus Christi.

This reporting period saw the IG reach a number of important milestones. Perhaps most notably, the IG Integrity Initiative formally kicked off at an April hearing before the Senate Health and Human Services Committee. I was joined at the testimonial table by Dr. Carlos Cardenas, CEO and Chair of DHR Renaissance Hospital, a top Medicaid provider in the Rio Grande Valley. Since the launch, nearly three-quarters of Texas' managed care organizations and many providers have joined this groundbreaking effort to build a new collaborative community committed to Medicaid integrity across the state. I am very pleased with the broad-based support our innovative effort has drawn and look forward to its continued expansion.

This quarter saw, among other notable events, the launch of the IG's new Medical Services Division, the accession of Alan Scantlen and Quint Arnold as Deputy Inspectors General for the Data and Technology and Inspections Divisions, respectively, and the achievement of our goal to meet with the CEOs and staffs of the top ten MCOs in Texas before June 1. I was very pleased to see that our recoveries rose again during the reporting period, and that IG total financial benefits topped $47 million for the quarter. We continue to operate our office in the black.

At quarter's end, Governor Abbott appointed Charles Smith as the new Executive Commissioner, succeeding Chris Traylor, with Cecile Young

Dollars recovered

Litigation	
Provider overpayments and penalties	$2,278,109
Investigations	
Beneficiary collections (SNAP, TANF, Medicaid, CHIP, and WIC)	$13,786,206
Medical Services	
Acute care provider collections	$367,451
Voluntary repayments	$84,247
Hospital collections	$6,429,208
Nursing facility collections	$2,261,649
Audit, Inspections, and Evaluations	
Audit and WIC collections	$353,989
Total	**$25,560,859**

Dollars identified for recovery

Investigations	
MCO overpayments identified by SIUs	$2,637,743
Beneficiary overpayments identified by IG Law Enforcement (SNAP)	$54,157
Beneficiary claims in process of recovery (SNAP, TANF, Medicaid, WIC)	$9,970,211
Medical Services	
MCO overpayments identified by IG	$268,095
Nursing facility overpayments	$702,523
Audit, Inspections, and Evaluations	
Audit provider overpayments	$4,149,466
WIC vendor repayments and penalties	$4,705
Total	**$17,786,900**

Dollars identified as cost avoidance

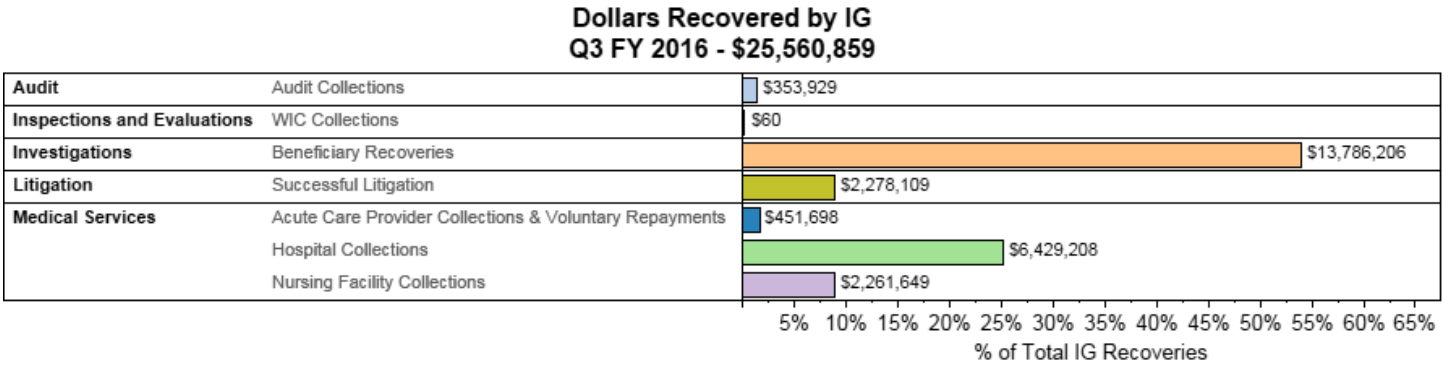
Litigation	
Providers ordered to pay restitution	$1,587,253
General Investigations	
Beneficiary disqualifications	$1,139,508
Beneficiary income eligibility matches	$9,658
Other beneficiary data matches	$795,842
Medical Services	
Pharmacy Lock-In	$15,259
Inspections and Evaluations	
WIC vendor disqualifications	$2,263,569
Total	**$5,811,089**

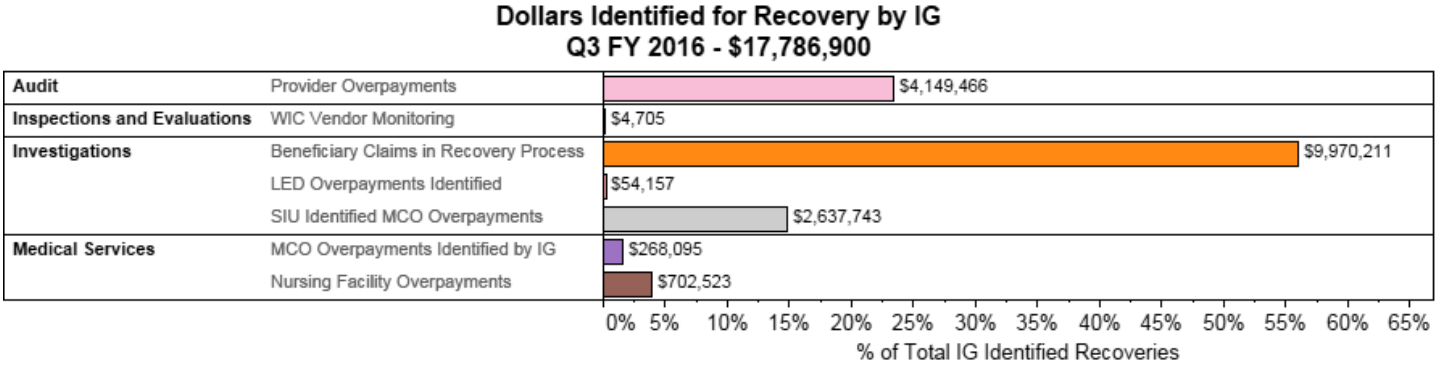
selected as the new Chief Deputy EC. This bodes well for our continuing collaborative and cooperative engagement with the System's senior leadership. We also look forward to working with the new Chief of Staff Kara Crawford and the new Chief Operating Officer Heather Griffith Peterson, whose interview appears in Section One of this report.

I am especially gratified that the quarter began with Sylvia Kauffman and Christine Maldonado coming alongside me in critical IG senior leadership positions to help me guide our team to new levels of success. Sylvia serves as my Principal Deputy, while Christine took on two positions, Chief of Staff and Deputy IG for Operations.

I and all my IG team members look forward to a strong finish to our first complete Fiscal Year together.

Stuart W. Bowen, Jr.





Overview

Section

1

Overview

Year of Results demonstrates progress

In January, the Inspector General announced that 2016 would be the "Year of Results," following upon 2015's year of restructuring and reform. While reform and restructuring continue, the benefits of improvements already accomplished revealed themselves this quarter through the positive effects of the office's focused strategy for creating and sustaining a culture of innovation and excellence.

The accompanying blue box of key quarterly results lists notable IG achievements, led by the fact that recoveries rose about 15 percent from the previous quarter, continuing the trend of steady improvement in measurable results since Mr. Bowen began in February 2015. This insistent pattern of positive growth substantiates the IG's continuous commitment to realizing the office's vision of vying to become the nation's leading innovative state-level Inspector General.

This progress did not occur by accident. A year ago, the IG convened a gathering in Austin of 80 management staff drawn from across Texas to develop the office's first-ever comprehensive strategic plan. This committed convocation of key leaders devoted three days to crafting the agency's governing document, which defines top goals, sets strategies to implement them, and shapes division workplans that enable IG teams to sustain success.

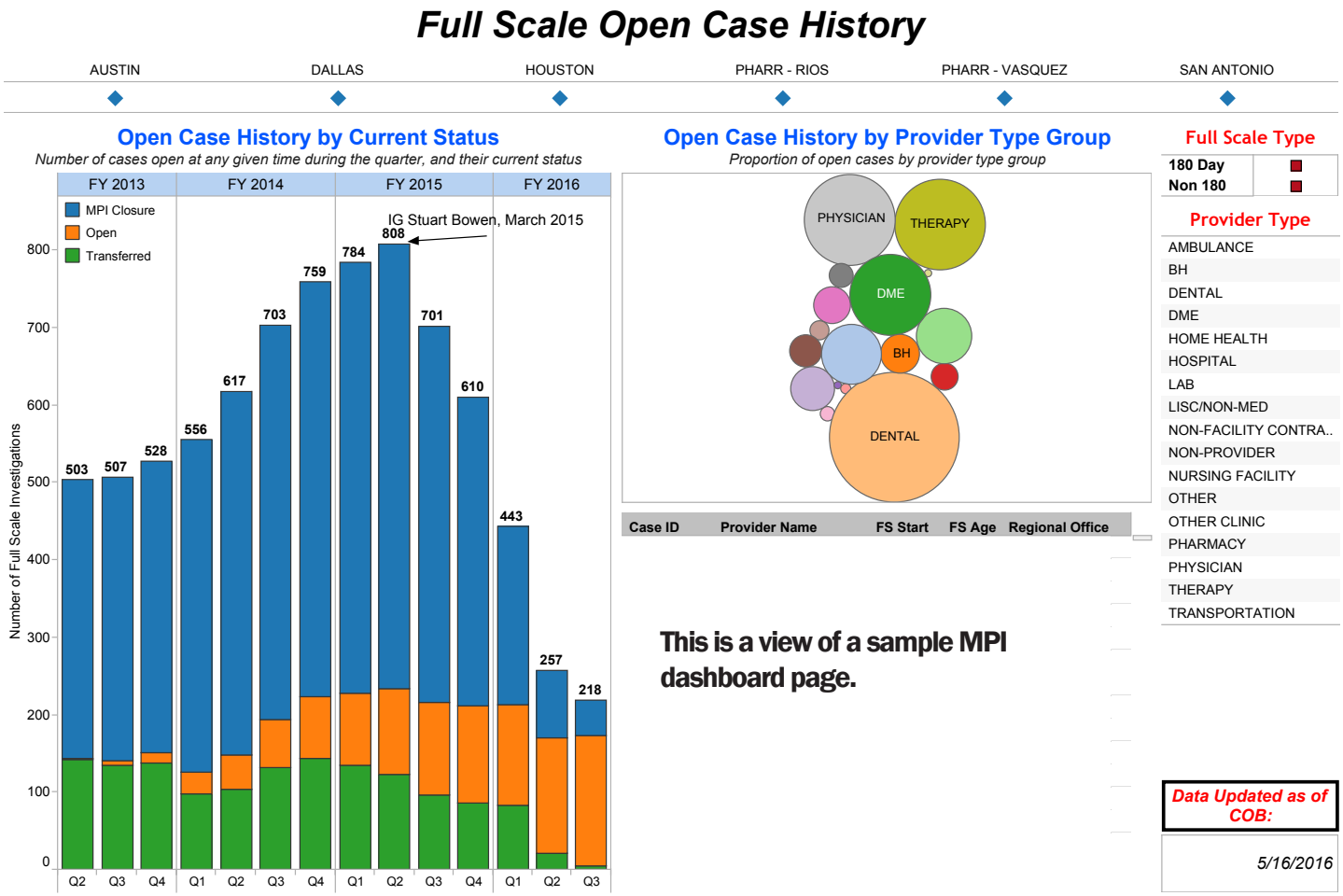
The IG's six strategic goals, adopted in June 2015, are:

1. Identify fraud, waste, and abuse through timely and high-quality audits, inspections, and investigations.
2. Generate and disseminate excellent work products that demonstrate mission performance, inform our stakeholders, and educate the citizens of Texas.
3. Identify and implement innovative best practices that promote organizational integration, accountability, and data-driven decision making.
4. Develop and maintain outstanding internal and external relationships to promote transparency and accountability in all we do.
5. Develop sound business practices that efficiently and effectively support all operations.
6. Develop and retain an outstanding team committed to pursuing excellence in all we do.

Rigorous strategic work continued through this

Key quarterly results

- Recovered $25.4 million.
- Identified $13 million in potential recoveries.
- Settled 10 cases for $1,299,358.
- Launched the IG Pediatric Dentistry Action Team to identify root causes of recent egregious incidents involving Medicaid pediatric dental patients and recommend improvements to Medicaid policy and contracts to prevent further loss.
- Consolidated all medical and clinical staff into the Medical Services Division to achieve uniform utilization reviews and expand support audits, inspections, and investigations.
- Streamlined the Medicaid Provider Integrity investigative process through the use of Theory of Constraints, an innovative business management tool.
- Developed and implemented Executive Performance Dashboards beginning with Medicaid Provider Integrity investigations.
- Launched the IG Integrity Initiative, enrolling a number of MCOs and providers in a collaborative community effort to broaden and strengthen the fight against fraud, waste, and abuse.
- Conducted a successful two-day Investigations Division leadership and training conference in Austin.
- Operationalized the new extrapolation tool RAT-STATS for use in audits and investigations.



This is a view of a sample MPI dashboard page.

reporting period, to include regular leadership reviews of the plan, with updates applied as needed. To be effective, a strategic plan must elicit tactical programs that drive systems and teams toward enduring and measurable results. The IG's strategic plan achieves that by spurring the development of comprehensive division-level work plans that shape how investigations, audits, and inspections occur. This quarter all IG divisions finalized these mission-critical work plans tying operations to strategic goals.

To strengthen reality-based data-driven oversight, this quarter the IG's Data and Technology Division began a program to develop interactive Executive Dashboards that provide near-real-time read-outs on division performance. The first dashboard, launched in May, supports the Medicaid Provider Integrity team. All dashboards provide executive leadership insight into division performance from varying perspectives and in near-real-time. Notably, IG staff drove and executed this initiative from inception. The MPI dashboard enables leadership to identify patterns of Medicaid fraud, thereby improving tax-dollar recoveries and effecting measures that will generate meaningful deterrence. The Data and Technology team will develop dashboards for each mission-critical area of the IG, with all expected to be in place by the end of the year.

IG Pediatric Dentistry Action Team launched

Responding to a series of recent incidents involving the pediatric sedation or anesthetization of Medicaid pediatric dental patients, the IG launched the Pediatric Dentistry Action Team (PDAT). The PDAT organizationally integrates key elements from across the agency — i.e.,

Inspections, Investigations, Audit, Medical Services, Data, and Legal — to address a key public safety issue: the endangerment of Texas Medicaid children. The IG effort embraces collaborative engagement with the Texas Dental Board.

Consistent with the IG's mission to detect and deter fraud, waste, and abuse in the delivery of health-care services by Medicaid providers, the PDAT is examining the following two critical issues:

- Are Medicaid dental providers meeting the required medical necessity criteria for performing procedures that use anesthetization and sedation?
- Do the anesthetization/sedation services performed on children meet Medicaid standards?

The PDAT will finalize its survey work in July, conduct field work in August and September, and issue a final report with recommendations and lessons learned in October.

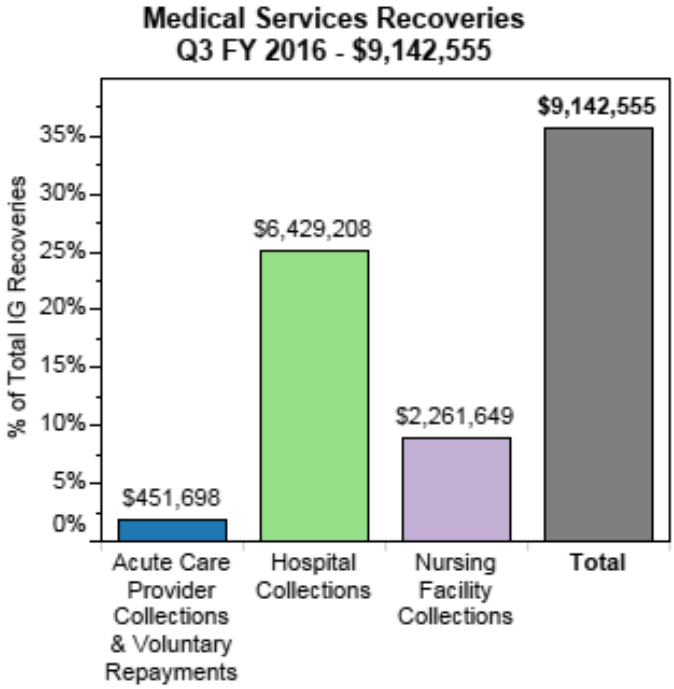
Medical Services Division created

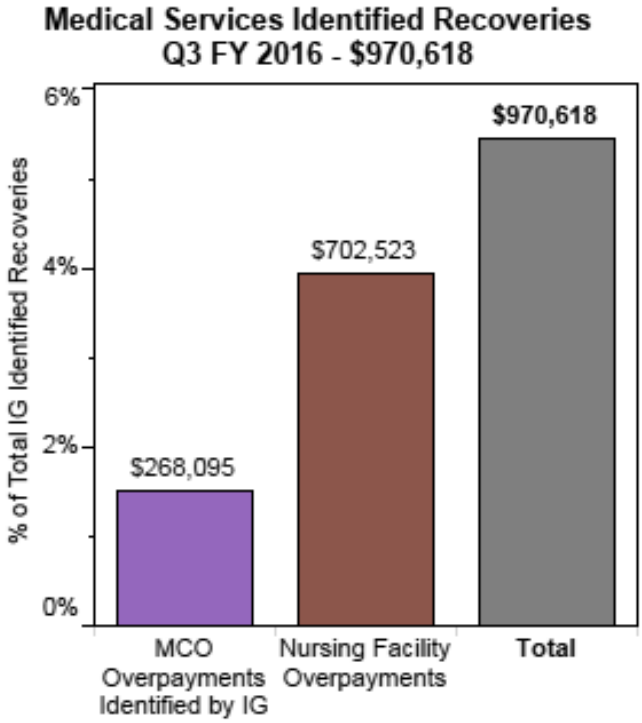
Since his arrival in late February 2015, Mr. Bowen and his IG team pursued numerous improvements in how the office supports its three IG operational divisions: Audits, Investigations, and Inspections. The office's supporting divisions exist to ensure that these operational divisions succeed.

In January 2016, the IG's synergizing restructuring impetus generated the creation of a new supporting division: the Data and Technology Division. This unique entity coalesced disparate data and technology functions and personnel from across the office to improve support capacities in data analytics and information technology.

To achieve similar efficiency-inducing ends, this quarter the Inspector General created another supporting division, the Medical Services Division. It concentrates under one roof the office's many highly skilled medical professionals, including the Chief Medical Officer, the Dental Director and dental staff, and over 80 nurses.

This new structure houses a variety of functions including the duties to carry out these reviews:





hospital utilization, nursing facility utilization, acute care utilization, research and detection clinical, and the lock-in program. The reform fosters a more agile and organizationally integrated clinical staff that can rapidly respond to all IG investigations, audits, and inspections. Further, Medical Services will secure a uniform application of Medicaid policies across the IG, producing rational and consistent clinical reviews.

Importantly, medical staff will cross-train among skill sets to expand the scope of available expertise supporting mission critical operational needs.

Innovative management reforms streamline Medicaid Provider Integrity investigations

This quarter, a highly talented team from the State of Utah's government travelled to Austin to provide IG investigative leaders extraordinary training on a money-saving management tool called Theory of Constraints (TOC). The Texas Workforce Commission benefitted greatly from this methodology, and it has already enormously improved the IG's MPI case management process.

A project team led by Tim Menke, Assistant Deputy Inspector General for Investigations, devoted several days of intense engagement and research to developing and implementing TOC into MPI. Supporting players included experts from Operations, Investigations, Legal, Data, and Medical Services. The TOC team is now training all MPI staff on a much more streamlined investigative process, which will generate committee reviews of at least four MPI cases a week for eventual litigation and recovery. TOC will streamline other IG mission-critical business functions, including General Investigations (SNAP) and Audit. The upshot of this latest improvement is that investigative results will continue to rise.

IG Integrity Initiative kicks off

The IG Integrity Initiative formally kicked off on April 21 at a hearing of the Senate Health and Human Services Committee where Mr. Bowen provided testimony to Chairman Charles Schwertner and the members of the committee. The IG was joined by Carlos Cardenas, M.D., representing Doctor's Hospital Renaissance, one of the largest Medicaid providers in the Rio Grande Valley.

The IGII is a voluntary collaborative network that includes Managed Care Organizations, Dental Maintenance Organizations, Medicaid providers, associations, and any entity receiving Medicaid. The Initiative strengthens and enhances existing structures and standards that promote integrity within the system. To participate, potential members agree to:

- Incorporate integrity in their mission and values.
- Report all fraud, waste, and abuse to the IG whenever and wherever found.
- Train applicable staff on Medicaid integrity practices.
- Include a link to the IG's website.
- Display the IG's Integrity Line posters.

Stakeholder outreach goals achieved

In January 2016, the IG set the goal of meeting with the CEOs and staffs of Texas' top ten Managed Care Organizations by June. The IG met that goal by early May, with many productive meetings occurring this quarter, including visits with Superior, Amerigroup, United Health, Driscoll, Community First, Molina, Parkland, and Cook Children's.

The Inspector General testified at four hearings and spoke at four conferences this quarter. On the testimonial front, Mr. Bowen appeared on March 8 before the House Human Services Committee regarding the IG audit series addressing Managed Care Organizations' Special Investigative Units. Later in March, the Inspector General participated in the hearing of the Transition Legislative Oversight Committee. On April 6, Mr. Bowen testified before the House Appropriations Article II Subcommittee on the reforms facilitated by Senate Bill 207. The Senate Health and Human Services Committee received testimony from the Inspector General in late April. And at the end of May, the Inspector General participated telephonically in a Medicaid Town Hall sponsored by Chairman Richard Raymond in the Rio Grande Valley.

On the conference front, the IG spoke on March 23 to the Board of Directors for the Texas Health Care Association, discussing IG priorities, with a specific focus on long-term care. In April, Mr. Bowen met with the Texas Medical Association's Medicaid Committee during its annual meeting in Dallas, where he discussed the new IG Integrity

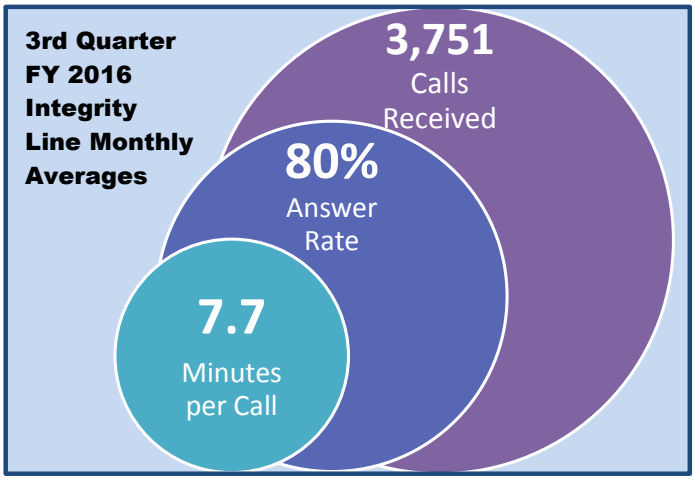
Initiative and the changes to the IG's practices resulting from the passage of Senate Bill 207. In mid-May, the IG travelled again to Dallas to speak to the Board of the Texas Voluntary Hospital Association, receiving good feedback on the IG Integrity Initiative. And on May 23, the IG spoke in Austin at the 28th Annual Conference of the Association of Local Government Auditors on the subject of "Auditing in the Managed Care Era."

Integrity Line improved

The IG Integrity Line, formerly known as the "Hotline," improved operational processes this quarter and pursued technological enhancements to strengthen responsiveness to calls reporting fraud, waste, and abuse. These improvements will increase the IG's capacity to identify potential cases for investigative action.

The Integrity Line now processes calls at an annual rate exceeding 40,000, up 30 percent from last year. To handle the rapid rise in volume, the IG instituted a number of structural reforms, improved staffing levels to optimize for peak call periods, purchased wireless headsets to minimize down-time, and implemented enhanced data analytics tools.

The office will soon employ a new manager to oversee the Integrity Line, which will promote the professional development of staff through focused performance monitoring, regular quality assurance reviews, relevant training, and enhanced integration with other IG divisions. To promote organizational integration, a cross-training initiative between the Operations and Investigations Divisions is under way in which Investigations staff provide Integrity Line personnel with skills necessary to conduct thorough interviews and gather the information required to determine whether a call should progress to a case.

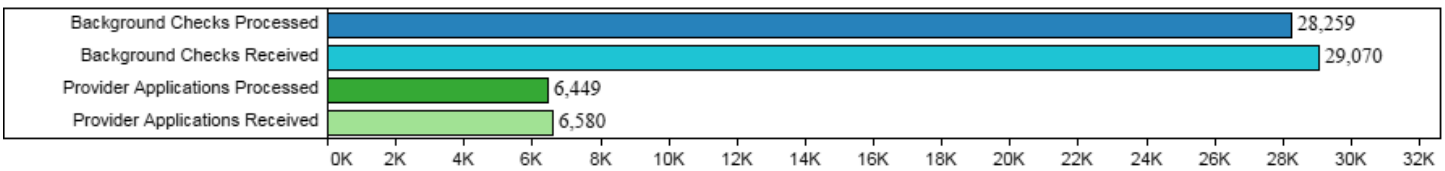


Critical provider enrollment background screenings strengthened

The IG conducts background checks on certain providers applying for enrollment or re-enrollment in the Medicaid program. This quarter, the Provider Integrity Research team implemented changes in its workflow and job responsibilities to better handle the increase in background checks, eliminate bottlenecks, improve internal performance metrics, and meet the 10-day statutorily required timeframe.

The team works closely with HHSC's Medicaid-CHIP Division to promote a better enrollment experience for providers, monitor Texas Medicaid and Healthcare Partnership contract compliance, and develop synchronous systems and processes. The new CMS deadline specifying that all Medicaid providers must re-enroll by September 25, 2016, looms on the horizon and will soon generate a burst of new work. As of May 31, 37,145 National Provider Identifiers (NPIs) still must submit re-verification applications in order to remain enrolled. This corresponds to nearly 200,000 affiliated individuals (including owners and principals) who must be screened by the IG in order to meet the re-verification deadline.

IG Provider Enrollment Workload - Received & Processed
Q3 FY 2016



Morale and staff retention efforts take effect

In March, the IG surveyed its staff to identify pathways for building office morale. The survey revealed several positive indicators:

- 90 percent feel a connection to the mission of the IG and expressed an understanding of how their work impacts the citizens of Texas.
- 72 percent report having a good working relationship with their manager.
- 53 percent feel that the IG has a friendly and positive culture.

Staff cited a need for more communication about restructuring and reform and expressed a desire for more team building and training opportunities.

The survey led to key improvements including:

- Establishing senior leadership direct engagements in which the members of the executive team individually visit staff in Austin and at regional offices.
- Promoting more communication through monthly "All IG" calls to discuss key initiatives and respond to staff questions.
- Creating an "Improve the IG" mailbox where all staff can submit questions or suggestions for senior leadership.
- Instituting a morale and retention workgroup to develop team-building events.

Maintaining a healthy organization is a continuous commitment, and the IG will take all necessary actions to improve morale and promote retention.

Q&A with Heather Griffith Peterson, HHSC Chief Operating Officer

Please tell us about your professional and personal background, with emphases on particular experiences that prepared you for your new leadership calling at HHSC.

I have spent my career working in public sector and senior level administrative and financial management positions. I transferred to HHSC from the Texas A&M University System, where I was the director of policy research, before which I served as the chief financial officer for the Texas Department of Agriculture. I have also held management positions with the City of Austin and for the City of Boston. I served as a member of the Strike Force created in 2015 by Gov. Abbott, which was tasked with conducting a review of management, contracting, and operations within HHSC. Subsequently, the governor appointed me to serve as a member of the HHSC Transition Legislative Oversight Committee.

Heather Griffith Peterson

As a community volunteer, I have served on several non-profit board of directors in supporting early childhood education, secondary education, public service leadership, and other community-based initiatives. I hold a B.S. degree from the State University of New York at Plattsburgh and am a graduate of the Governors Executive Development Program. Born in Jamaica West Indies to Barbadian parents, I have lived in Austin for almost three decades with my husband, and am the proud parent of a son and daughter.

Please describe the jurisdiction, structure, and duties that fall under your aegis.

As the Chief Operating Officer for HHSC I am responsible for providing leadership and strategic direction for the agency by planning, directing, and coordinating the operations supporting the department's centralized support services programs (i.e. - System Support Services, Financial Services, Procurement and Contracting Services, Information Technology, Transformation and Policy & Performance Offices.)

What are your guiding principles for effective leadership?

My guiding principles for effective leadership include:

Integrity: Keeping my core beliefs sacred and never compromising on them. In addition to being honest, fair, candid, and forthright, I believe in treating others in the same way that I want to be

treated.

Supporting employees by creating the kind of environment that facilitates measurable progress toward attaining our organization's vision and goals. A major component of this is ensuring that lines of communications are open and used on a continuous basis to keep employees aware of relevant organizational information.

Grit: The willingness and motivation to work hard, persevere, and strive for long-term goals. This includes choosing what to do under difficult circumstances, making informed decisions and acting on those choices decisively when required.

Passion: Having passion about my work allows me to do the best job I can and stay connected to the people I work with and serve.

What are your top priorities as you move forward supporting EC Charles Smith?

My top priorities include reinforcing a culture of using data to drive strategic initiatives and continuous improvement, with a focus on identifying system-wide service enhancements to better serve our internal and external customers.

What excites you the most about your new calling?

The opportunity to be part of the transformation of the Texas Health and Human Services system.

Program Insight: Department of State Health Services

Section

2

Program Insight: Department of State Health Services

Overview

The mission of the Texas Department of State Health Services (DSHS) is to improve health and well-being in Texas.

The department confronts a broad spectrum of health challenges, including mental illness, substance abuse, chronic disease, infectious disease, emergency response, food safety, and access to health care services. Additionally, DSHS manages a number of licensing programs to ensure the public's safety and health, including regulation of health care facilities, professions, radiation, and drugs and medical devices.

The HHS transformation will focus DSHS on its core public health mission — transferring the agency's client services programs to the Health and Human Services Commission on September 1, 2016, and its regulatory functions and operation of state facilities to HHSC in 2017. In addition, 17 occupational and professional regulatory programs are transferring to the Texas Department of Licensing and Regulation and the Texas Medical Board.

DSHS employs about 12,000 staff, and about 7,500 work at the agency's state facilities. DSHS currently has five divisions: Family and Community Health Services; Mental Health and Substance Abuse Services; Disease Control and Prevention Services; Regulatory Services; and Regional and Local Health Services.

Family and Community Health Services administers multiple programs including the following: Women, Infants and Children supplemental nutrition program; nutrition education and counseling; breastfeeding promotion and support; and referrals to other health, welfare, and social services.

Mental Health and Substance Abuse Services provides oversight of state administered mental health and public health facilities, administers community mental health and substance abuse programs, manages related contracts, and directs quality management activities. DSHS runs nine state hospitals with a capacity of about 2,400 beds, an adolescent psychiatric facility, and the statewide tuberculosis treatment hospital.

Top 10 facts about DSHS

1. Budget	$3 billion (approx.)
2. Employees	12,000
3. Field offices	160
4. Facilities managed	11 (9 state hospitals)
5. Regulatory functions	
Total licenses	350,000
Health professionals licensed	180,000
Health care facilities regulated	2,600
6. Contracts	
Number managed by DSHS	6,900
Total value of contracts	$3,434,161,545
7. WIC program	
Average number of recipients	860,000
Active benefit cards in circulation	560,000
Funding	Total: $737,000,000
	Federal grant: $493,200,000
	Formula rebates: $215,300,000
	Medicaid reimbursement: $28,500,000
Average daily claims	$2,100,000
WIC outlets	2,207
WIC vendors	322
8. Vital statistics	
Vital events registered	919,779
FY 2015 orders processed	451,607
FY 2015 records issued	1,962,825
FY 2015 birth/death verifications	1,543,755

9. Preparedness and response activities

Recent emergency responses include Zika, West Nile, and Ebola outbreaks; Bastrop wildfires; Hurricanes Alex, Dolly, Gustav, and Ike; H1N1 pandemic; TB/mumps/measles outbreaks; foodborne outbreaks (peanuts, tomatoes and jalapenos).

10. Disease control and prevention

Texas Cancer Registry receives more than 200,000 reports each year from 400,000 births.

Texas Birth Defects Registry identified approximately 20,000 disorders yearly from 400,000 births.

Laboratory services performs more than 1.5 million tests annually for infectious diseases, newborn screening, and clinical and environmental chemistry.

Immunizations administers 9.2 million doses yearly to children and adults.

Source: DSHS

Disease Control and Prevention Services responds to emerging and acute infectious diseases, including more than 80 reportable conditions ranging from flu, hepatitis, and foodborne illnesses to rare conditions such as plague, rabies, and tuberculosis. Laboratory Services performs more than 1.5 million tests annually, and operates the world's largest newborn screening lab, which tests all babies born in Texas for 51 genetic and metabolic conditions.

Regulatory Services oversees individuals and entities that provide consumer and health goods and services to the public.

Regional and Local Health Services coordinates with local health departments and jurisdictions across the state. DSHS serves as the local health authority in nearly 190 counties where no local health department exists and supports jurisdictions that can't or don't provide all needed public health services. DSHS also serves as the lead for public health and healthcare system emergency preparedness.

In addition, DSHS manages the Vital Statistics Unit, which oversees the registration of all vital events including birth, death, fetal death, marriage, divorce, and annulment in Texas, and the Center for Health Statistics.

Insight from John Hellerstedt, Commissioner, Department of State Health Services

Please tell us about yourself and what experiences have especially prepared you to be the Commissioner for the Department of State Health Services?

Prior to joining Department of State Health Services in January 2016, I was the Chief Medical Officer for the Seton Family of Hospitals. This is not my first experience in the health and human services system. I previously served as Medical Director for the Medicaid and CHIP programs at the Health and Human Services Commission. After leaving HHSC, I served as Vice President of Medical Affairs for Dell Children's Medical Center of Central Texas and have also been in private practice as a pediatrician at the Austin Regional Clinic. I'm honored to serve as Commissioner of DSHS, working alongside staff who have passion and dedication to the agency vision of a safe and healthy Texas. I am drawn to this work because of the DSHS mission and the services we provide to persons across Texas.

What is your vision for DSHS? Where do you see the organization in three years?

Changes to DSHS, directed by Senate Bill 200 which passed in 2015, will streamline agency operations to focus on public health. Most direct client services programs will transfer to HHSC in September 2016 and regulatory programs and state hospital services will transfer in 2017. With a streamlined focus on public health, DSHS will be well-positioned to provide statewide leadership to promote safe and healthy communities and population-based strategies to address public health issues, working in partnership with other state, federal, and local agencies and organizations.

John Hellerstedt

What are the top three challenges facing DSHS today?

DSHS, along with the entire health and human services system, is undergoing major changes as we restructure the health and human system to make it more responsive for our clients and stakeholders. We must all be committed to working together to address any issues that arise as we transition to our new structure so that Texans see the positive outcomes the transformation is geared to accomplish. I firmly believe in the concept of "200 percent accountability," which means that I am 100 percent accountable and each DSHS staff member is 100 percent accountable for the success of this shared endeavor. By holding each other accountable, I'm confident that we will lift each other up, rise to the occasion, and successfully adapt to our new environment.

With the agency focus on public health, we must plan for and be prepared to respond to emerging infectious diseases such as Zika and Ebola. DSHS is preparing for the emergence of these diseases

by holding statewide workshops, improving laboratory and epidemiological surveillance capacity, and distributing resources to local health departments and other health care organizations.

There is also an ongoing threat of mosquito borne diseases across Texas. This includes the recurring threat of West Nile virus and the emerging threats of Chikungunya, Dengue, and Zika viruses. DSHS continues work in partnership with local, state, and federal agencies to refine a structured framework within which outbreaks are effectively investigated, mitigation measures are put in place, and measures are undertaken to prevent outbreaks when possible.

Another challenge for our agency is being responsive to the growing and diverse population in the state. Texas has led the nation in annual population growth since 2006, fueled by both natural increase (the excess of births over deaths) and net migration (the difference between in-migration and out-migration). Texas continues to attract large numbers of people from the rest of the United States. This movement of people into Texas is not only helping to grow our population, it also is adding to our population diversity. Texas is among states leading in racial/ethnic diversification, and the older population is growing faster in Texas than in the nation.

It is critical for DSHS to evaluate and modify programs as needed to address the changing demographics of the state. We will continue to be challenged to provide the highest quality, most effective services as economically as possible.

How does your office collaborate with the Inspector General to identify fraud, waste, and abuse?

IG is an important partner, on which we rely to protect patients in our hospitals, investigate and address employee misconduct, ensure proper use of state and federal funds, protect the integrity of our vital records, and assist with many other aspects of our work.

IG and our DSHS Vital Statistics Unit (VSU) partner to detect, investigate, and pursue attempts to obtain vital records, including birth and death records, based on false identification or other false pretenses and to prevent copies of illegally obtained records from being issued.

By law, DSHS must flag birth or death records for which we discover contradictory information that may suggest that a record may have been improperly obtained. If anyone asks for the flagged record at the state or local level, the State Registrar may deny issuance of the copy and the requestor is given an opportunity for a hearing before a DSHS in-house administrative law judge. IG develops and compiles the case that serves as the department's evidence as to why the copy of the record should not issue.

IG assists in the review and disposition of subrecipient contractor single audits. Once the single audit and its findings are received, IG conducts a desk review and identifies any issues that may need to be reviewed by DSHS contract oversight and support or the program involved in the funding of services, in an attempt to address the issue and ensure that the proposed corrective action in response to the single audit findings is adequate. IG also investigates allegations relating to DSHS contractors, including alleged fraud, waste, and abuse of state or federal funds.

As of 2009, DSHS began reporting allegations that may involve criminal misconduct at DSHS operated state hospitals for IG investigation. IG may also receive information and/or a referral from the Department of Family and Protective Services regarding abuse, neglect, or exploitation allegations involving our state hospital patients.

IG also investigates allegations involving DSHS employees that relate to an allegation of misuse of state funds or resources, which can range from misuse of time and leave to potentially unlawful behavior. In many of these cases, IG may also provide assistance to DSHS for referrals to local law enforcement or assistance in communications and coordination with law enforcement. These investigations may lead to criminal charges, employee discipline, or other action taken by the department in response to IG's findings and may become part of the legal process that affords employees due process in response to disciplinary action that may be taken.

Investigations

Section

3

Investigations

Overview

The IG Investigations Division works to protect the integrity of the Texas Medicaid system and other health and human services programs by investigating allegations of provider or recipient fraud, waste, and abuse. It also conducts personnel investigations at State Supported Living Centers and State Hospitals to ensure the safety of the residents in these facilities. Additionally, the IG carries out personnel investigations across the entire HHS System.

The Division comprises four Directorates:

- General Investigations
- Medicaid Provider Integrity
- Law Enforcement
- Internal Affairs

New training develops professionalism of Investigations team

Medicaid Provider Integrity investigators participated in a two-day training conference in April on Healthcare Fraud Investigative Techniques. The training was provided in conjunction with our partners, the U.S. Health and Human Services Office of Inspector General and the Texas Attorney General's Medicaid Fraud Control Unit. It equipped investigators with skills on how to proceed with investigations regarding a variety of specific provider types.

All IG Law Enforcement peace officers attended and completed three days of active shooter response training the week of May 9-12. This Department of Homeland Security certified course taught tactics to rapidly isolate and neutralize an active shooter.

New initiative streamlines MPI investigations

On May 16, IG leadership implemented a management project known as Theory of Constraints, focusing first on our Medicaid Provider Integrity investigative process. Theory of Constraints will improve MPI investigations processes, enabling IG personnel to identify fraud more effectively and thus increase dollar amounts recovered.

The tool utilizes organizational integration techniques to create a cohesive and collaborative process within which investigators work with litigators, data specialists, and clinical staff to develop cases. The initial phase developed a process for MPI investigations that fundamentally streamlined the investigative approval method.

MPI staff are now being trained in the new system to align resources and empower the IG to move rapidly forward on good cases. This will produce quality investigations of those providers who actually commit fraud in the Medicaid program. Additional IG areas will soon be trained in TOC to streamline their respective operations.

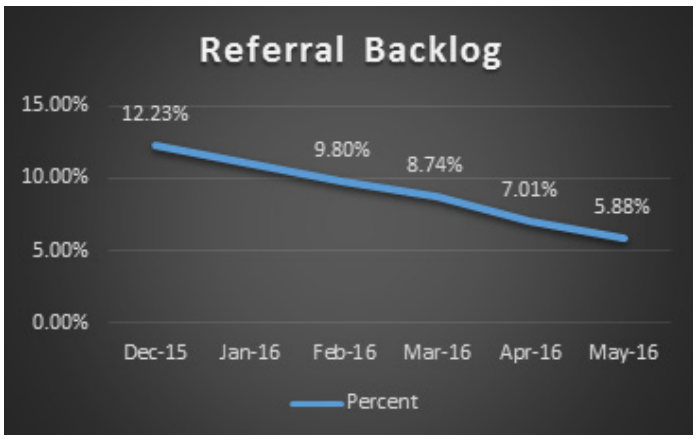
General Investigations

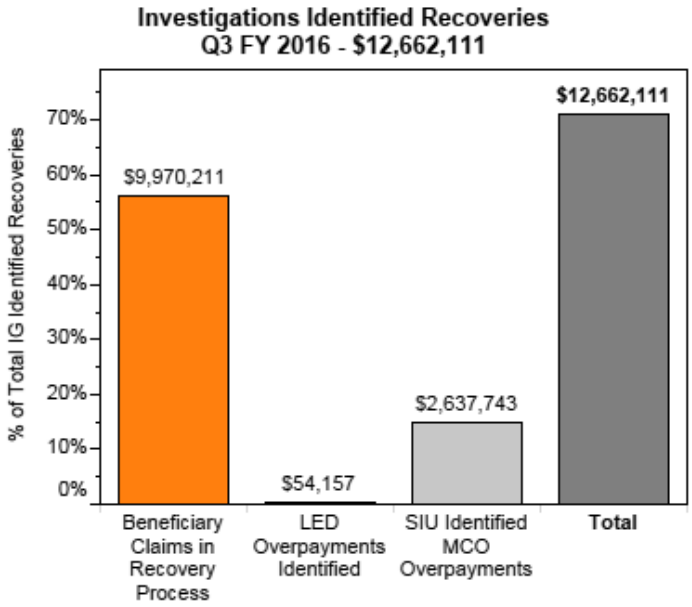
The General Investigations (GI) Directorate pursues allegations of overpayments made to recipients in the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Medicaid, Children's Health Insurance Program, and Women, Infants, and Children (WIC) program.

GI now has 121 investigators pursuing allegations of waste, fraud, or abuse of health and human service programs across Texas.

Top GI accomplishments this quarter

- Collected $13,786,206 from completed cases.
- Identified $9,970,211 for recovery.
- Referred 144 cases to district attorneys.
- Obtained 66 court dispositions.





The directorate continues to make progress in addressing the pending caseload that is beyond the federally mandated 180 days. The backlog of cases over 180 days has been reduced from 9.8 percent in February 2016 to 5.88 percent in May 2016, which is within the acceptable federal range.

During this quarter, GI referred 144 cases for prosecution, received 66 court dispositions, identified $9,970,211 for recovery, and collected $13,786,206. Most GI investigations originate as referrals from the Health and Human Services Commission Office of Social Services (OSS). GI works with OSS to improve the quality of these referrals, and these collaborative efforts will produce improved results. The IG will continue to provide training to all OSS eligibility workers, expanding the effort to all types of case referrals.

GI worked with OSS this quarter to create a monthly newsletter that provides feedback to all OSS eligibility workers on the results derived from OSS referrals, gives investigative tips, and highlights an OSS worker who made an excellent referral that resulted in a significant recovery.

The following notable cases were referred for prosecution this quarter:

- A referral from an OSS eligibility worker led to an investigation of a falsified application, which found the client fraudulently received $90,132 in SNAP, WIC, and Medicaid benefits from 2010 through 2015.
- The IG and a local police department conducted a joint investigation in which the employer of a client discovered more than $50,000 in the employee's store locker. The client admitted she was hiding income from her husband's private business in order to qualify for SNAP and Medicaid. By failing to disclose this income, the client received $68,313 in benefits to which she was not entitled.
- The IG received a United States Department of Agriculture whistleblower referral alleging a client and her children were living in Mexico and using a false address in El Paso to obtain SNAP and Medicaid. The investigation substantiated the allegation and determined the client fraudulently received $61,552 in benefits from 2012 through 2016.
- As a result of working with OSS to improve the quality of and provide a template for referrals, an OSS eligibility worker alleged a client falsified their application to receive SNAP, WIC, and Medicaid. The investigation confirmed the allegation and determined an overpayment of $101,728 in benefits from 2010 through 2016.

Medicaid Provider Integrity

The IG Integrity Initiative has generated vast improvement in IG relations with Managed Care Organization Special Investigative Units (MCO-SIUs). These include monthly meetings between the MCO-SIUs and MPI, more regular weekly communications, and numerous exchanges of investigative trends and targets.

The distribution of IG brochures and pamphlets by MPI investigators during outreach activities this quarter raised public awareness, which improves deterrence. MPI investigators also presented PowerPoint presentations to various Medicaid provider groups that provided training on fraud patterns and developed collaborative rapport with the affected communities.

MPI Intake opened 364 cases and completed

335 cases this quarter while maintaining an average case processing time of 22.4 days. After preliminary investigation, Intake transferred 55 cases to other IG units for full-scale case development. MPI made additional referrals to Medicare, the MCO-SIUs, various regulatory licensing boards, and other HHSC agencies including DSHS and DADS for review, information sharing, and resolution.

Law Enforcement

The Law Enforcement Directorate comprises commissioned and non-commissioned investigators who conduct criminal and other investigations of alleged violations involving State Supported Living Centers and State Hospitals, Supplemental Nutrition Assistance Program Electronic Benefit Transfers, and Medicaid fraud. The three units in this directorate are the State Centers Investigative Team, Electronic Benefit Transfer Trafficking Unit, and Medicaid Law Enforcement Unit.

Electronic Benefit Transfer

EBT investigates Texas retailers and recipients buying or selling SNAP benefits.

During this quarter, EBT investigated a retailer in northeast Texas for selling ineligible items and exchanging cash for SNAP Electronic Benefit Transfer benefits. EBT investigators also conducted multiple undercover transactions resulting in the purchase of ineligible items and cash exchanged for SNAP benefits. Local prosecutors worked the case and obtained an indictment and arrest of the store owner.

State Centers Investigative Team

The SCIT investigates allegations of abuse, neglect or exploitation of patients at State Hospitals and State Supported Living Centers. Texas has 13 SSLCs and 11 State Hospitals. This quarter SCIT opened 254 cases and completed 259.

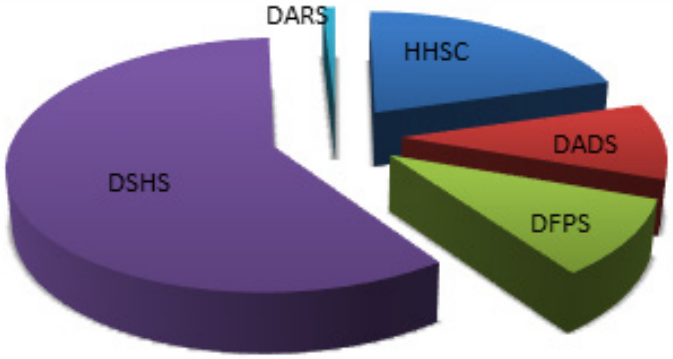
In March 2016, the team investigated Direct Support Professionals at a SSLC accused of physically abusing a client and tampering with a government record. The local DA is pursuing prosecution.

Medicaid Law Enforcement Division

This unit comprises five commissioned peace officers who conduct high-level criminal investigations, working with various local, state and federal law enforcement agencies.

In one LED-supported case this quarter, a nurse practitioner appeared in federal court and pleaded guilty to one count of conspiracy to commit healthcare fraud. The felony conviction will result in the loss of the nursing license as well as permanent exclusion from the Medicare/

Internal Affairs statistics

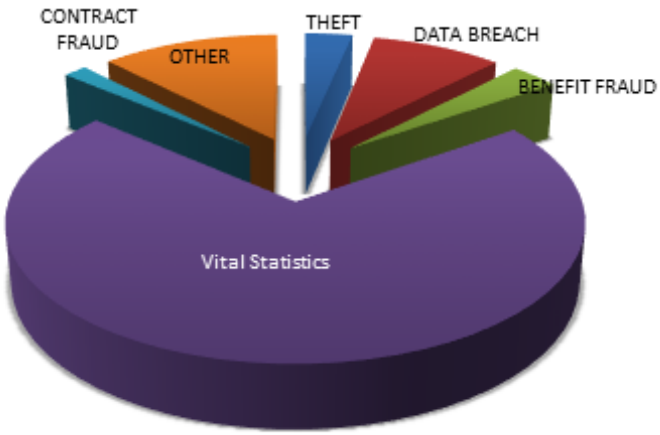


Completed investigations by agency

Department of State Health Services	74
Health and Human Services Commission	24
Department of Family and Protective Services	13
Department of Aging and Disability Services	12
Department of Assistive and Rehabilitative Services	1

Types of investigations

Vital statistics	64	Data breach	11
Benefit fraud	4	Theft	4
Contract fraud	2	Other	39



Medicaid program. Sentencing is set for August 4. A co-defendant previously pleaded guilty to the same charge; no sentencing date has been set. This matter was worked jointly with the Rio Grande Valley Health Care Fraud Prevention and Enforcement Action Team.

Internal Affairs

Internal Affairs conducts investigations regarding allegations brought against employees, vendors, and contractors associated with the Health and Human Services System throughout Texas.

During this quarter, IA completed 124 investigations, substantiating 32. Cases included vital statistics fraud, contract fraud, employee misconduct, privacy breaches, theft, and benefit fraud.

The chart on page 20 depicts the investigative efforts of the Internal Affairs Directorate. Investigations deemed as "other" include allegations of tampering with government documents, inappropriate relationship with a client, assault, forgery, perjury, and retaliation.

Q&A with Andy Abrams, Assistant Deputy IG, Internal Affairs

Tell us about your background and what brought you to your current position.

I am married to Shawana and have four children: Damion (34), Ashley (32), Adrian II "A.J." (29) and Tailor (21).

I started my law enforcement career in 1982 and am a Master Peace Officer. I started as a Patrol Officer in Athens. After serving 2 years at Athens Police Department, I started a 12-year career with the Texas Department of Public Safety, Highway Patrol, graduating from the academy in May 1984. In April 1991, I was promoted to Sergeant and assigned to the Governor's Protective Detail where I provided dignitary protection for Governors Ann Richards and George W. Bush. I also have experience in managing investigations of insurance fraud while serving as the Director of Investigations at Texas Mutual Insurance Company. I started my career at the Office of Inspector General in July 2004, as an Internal Affairs, Investigator VII, Team Lead, Vital Statistics Fraud. I served as Manager and Director of Internal Affairs prior to being promoted to Deputy Inspector General of Internal Affairs. Currently I serve as Assistant Deputy Inspector General of Investigations Division where I am responsible for two directorates: Internal Affairs and Law Enforcement. I am a graduate of the Health and Human Services Executive Leadership Academy, where I continue to serve as a mentor for current students. I'm also a graduate of The Governor's Center for Management Development Senior Management Development Program. In December 2012, I graduated from the Lyndon B. Johnson School of Public Affairs Governor's Executive Development Program. In February 2014, I was designated a Certified Inspector General by the National Association of Inspectors General. I enjoy sports and have been a NCAA basketball official for 14 years and a high school basketball official since 1986.

Andy Abrams

What does your role as Assistant Deputy IG entail?

Top IA accomplishments this quarter

- A Department of Family and Protective Services employee was investigated on an allegation of posting sexually explicit images of himself on Facebook during work hours. During his interview with the IA investigator, the employee admitted posting the images under an alias, using his state issued cell phone. The Forensic Research and Analysis Team analyzed the phone and confirmed the allegation. The employee resigned.
- An HHSC Texas Works Commission supervisor was alleged to have assaulted another employee during a meeting. The investigation confirmed the assault occurred, and the employee admitted striking the subordinate. A police report was submitted, but the assaulted employee did not want to pursue criminal charges.

Investigations

As the Assistant Deputy Inspector General of Investigations Division, I am responsible for the investigative efforts of two directorates: Internal Affairs and Law Enforcement. These directorates provide different types of investigation of allegations of fraud, waste, and abuse. The Internal Affairs Directorate investigates allegations involving the employees, contractors, and vendors of the five agencies that make up the Health and Human Services (HHS) System. Investigations include allegations of employee misconduct, contract fraud, data breaches, vital statistics fraud, theft, and benefit fraud. The Law Enforcement Directorate (LED) has commissioned peace officers and non-commissioned investigators. The LED investigations involve abuse, neglect, and exploitation of residents of the State Supported Living Centers and State Hospitals, electronic benefits trafficking, and Medicaid fraud involving providers and recipients. My role is to provide oversight and strategic direction. I develop, implement, and revise policies and procedures, establish goals, objectives, and investigative priorities, set performance standards, and provide measurement tools. I also work collaboratively with the executive staff of the HHS System as well as other local, state, and federal agencies. Most of all, I have the privilege of working alongside extraordinary people who are very skilled, talented, and committed to accomplishing the goals and mission of the Inspector General's office.

What goals do you have for your directorates?

First and foremost, I believe that both directorates are the best investigative businesses in the nation. We set the standard for investigations in the Health and Human Services world from an Internal Affairs and Law Enforcement perspective. We uphold our directives and mission with the utmost integrity, and we respect and embrace the opportunities we have been given. Our goal is to be a positive impact in our respective investigative areas, so that taxpayer dollars are utilized for their intended purpose. We properly address individuals who have chosen to waste or defraud benefit programs, abuse the offices they occupy, or abuse the client with whom they have been entrusted.

What changes have you made or do you anticipate making?

The major change that I have put in place is to ensure we are working more collaboratively with the general counsels and executive staff of each agency. I have conducted conferences with both general counsels and executive staff to determine their needs, challenges, and concerns when it comes to conducting investigations involving their staff members and the sharing of investigative results. I have been a part of the creation of the Law Enforcement Directorate, helping to build it from the ground up. Changes are needed for the implementation of a case management system that will reduce the need for storage space.

Audit

Section

4

Audit

Overview

The IG Audit Division conducts risk-based audits of contractors, providers, and HHS agency programs to reduce fraud, waste, abuse, and mismanagement throughout the HHS system. Among other things, these audits examine the performance of medical service providers and HHS agency contractors, and provide independent assessments of HHS programs and operations.

The Audit Division comprises two Directorates:

- Audit
- Audit Operations

IG prepares for managed care audit challenges

The model for health-care delivery in the Texas Medicaid program progressively shifted over the past 20 years from a fee-for-service model, with one claims adjudication system for the state and standardized rate structures, to a managed care model, involving 22 individual managed care organizations. The change required audit staff to adjust to the challenges associated with auditing in the managed care era.

Auditors will need to increase their breadth of knowledge and skills to address the complexities that can impact audits of Medicaid providers in a managed care environment, including:

- Understanding the unique characteristics of claims and payment data from different MCOs when combining MCO data for analysis and sample selection purposes.
- Determining whether a provider's claims were billed accurately when a single provider has contracts with multiple MCOs, each with different pricing agreements.
- Determining whether a pharmacy's claims were billed accurately when a single pharmacy has contracts with multiple pharmacy benefit managers (PBMs). PBMs, which can be insourced or outsourced by MCOs, may each have different pricing arrangements with contracted pharmacies. In addition, a PBM representing multiple MCOs may have different pharmacy pricing structures for each MCO.
- Assessing security risks associated with confidential HHSC data being transferred and maintained by different MCOs and their vendors.

Additionally, the IG must answer the overarching question of how to measure the success and value of its managed care audits. In the fee-for-service environment, the amount of overpayments identified during an audit and subsequently recovered from providers is an important measure of success because recoveries are returned to the state and become available for other Medicaid services. Under managed care, overpayments recovered from providers are, in most cases, returned to the MCO.

While provider overpayments returned to an MCO could result in increases in experience rebates MCOs pay to the state when profits exceed defined thresholds, and could impact future capitation payment rates, the state would no longer recognize the direct and immediate return from its investment in IG audit activities.

Top Audit accomplishments this quarter

- Audit teams conducted nine site visits for managed care audits.
- Management of the Recovery Audit Contractor contract was transferred to Federal Audit Coordination for a six-month pilot.

Reducing Audit Division backlog

56 Audits carried forward from FY 2014 and FY 2015
24 Audits issued in first quarter FY 2016
15 Audits issued in second quarter FY 2016
2 Audits issued in third quarter FY 2016
2 Audits to be issued in fourth quarter FY 2016
7 Audits on hold, pending investigation
6 Audits cancelled (no significant issues)

Audit Division projects in progress

The following projects from the fiscal year 2016 audit plan are currently in progress:

- MCO Special Investigative Units' performance
- Delivery supplemental payments
- Acute care utilization management in MCOs
- Performance of contractors selected through non-competitive procurements of more than $10 million
- Pharmacy audits
- Recovery of overpayment amounts identified in federal audits
- Claims Management System IT interfaces

Federal Audit Coordination

Federal audit coordination function assigned to IG

Following a six-month pilot period, the HHSC Executive Commissioner approved the permanent transfer of the Federal Audit Coordination function to the IG. The pilot gave the IG an opportunity to demonstrate the effective application of its audit knowledge and management skills to benefit the operations and effectiveness of HHS agency programs through coordination of federal audits.

While the federal audit coordination function has been successful in the short time it has been with the IG, it will continue to improve as it identifies and implements additional opportunities for collaboration with HHS agencies and federal audit entities.

Management of Recovery Audit Contractor assigned to Federal Audit Coordination

Effective May 2016, management of the Recovery Audit Contractor (RAC) contract transitioned from the Medicaid/CHIP Division to Federal Audit Coordination for a six-month pilot period.

The pilot was initiated to improve the oversight of RAC audits, which identify improper Medicaid payments and recover overpayments made to providers. Through increased collaboration with Health Management Systems, the company which has provided RAC services for the state since the initial award of the contract in February 2013, Federal Audit Coordination will streamline contract management and governance protocols, which should lead to the increased recovery of state Medicaid dollars.

The pilot also provides the IG an opportunity to demonstrate how its unique set of audit management skills and audit knowledge can benefit HHSC agency programs. Because the IG coordinates all federal audits, transferring management of RAC audits improves the coordination process. RAC audits fall within IG's traditional audit scope, and IG's ongoing involvement in the RAC Governance Committee has contributed to the foundation of knowledge necessary to effectively assume RAC contract management responsibilities.

Audit Division updates

MCO Special Investigative Units audits continue

The Audit Division issued its report of Seton Health Plan's Special Investigative Unit (SIU). The report, which is the second in a series of reports on MCO SIUs, indicates that Seton has not effectively implemented its fraud, waste, and abuse plan.

Seton received approximately $101.5 million in capitation payments and paid approximately $88.3 million in medical claims during fiscal years 2014 and 2015. Over this period, Seton's SIU did not open or conduct any investigations; recover any overpayments; or refer any fraud, waste, or abuse cases to IG.

In the report, the IG offered recommendations to the HHSC Medicaid/CHIP Division which, if implemented, should improve the following concerns related to Seton's SIU function:

- Though Seton maintained the contractually required annual SIU fraud, waste, and abuse plan, it did not perform activities needed to implement the plan.
- Seton did not deploy the resources and infrastructure necessary for an effective SIU, including assigning adequate personnel and

developing guiding policies and procedures.

The Medicaid/CHIP Division concurred with IG's recommendations, and has outlined expected timelines for Seton to implement corrective actions needed for Seton's SIU to effectively identify and investigate fraud, waste, and abuse.

MCO utilization management practices audit series advances

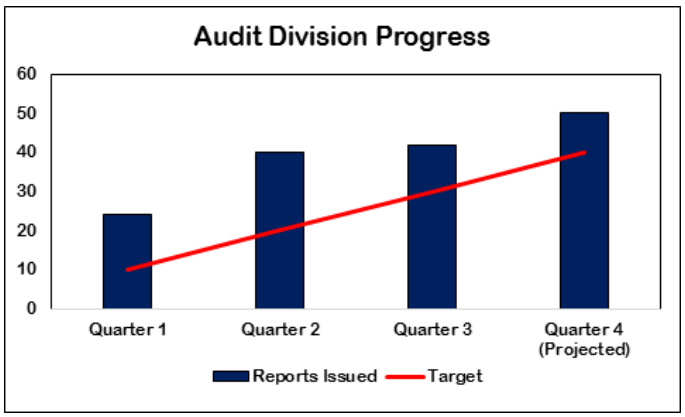
The audit of utilization management in MCOs transitioned to the fieldwork phase in April. During fieldwork, the audit team is evaluating the effectiveness of acute care utilization management practices at four selected MCO locations. Site visits to FirstCare and Superior have been completed, and the remaining site visits for Amerigroup and Community Health Choice will be completed by June.

In preparation for site visits, the audit team requests and reviews MCO policies and procedures governing utilization management. While onsite, the team conducts interviews with key MCO staff and conducts walk-throughs of processes to determine whether related policies and procedures are being followed. The team reviews MCO use of IT systems supporting the utilization management function, and examines prior authorizations to evaluate whether the MCO's determinations are consistent with Medicaid policy, afford appropriate access of health care services to members, and meet applicable timeliness requirements. In addition, the team tests the MCO's administration of health care services and compliance with state and federal requirements by reviewing relevant source documentation and assessing utilization management data.

The IG will issue six reports during the course of this audit series. An informational report, to be issued next quarter, will contain the audit team's analysis and compilation of non-audited information submitted by MCOs, and provide initial insight into utilization management practices in the managed care environment. Four separate audit reports will detail specific results for each MCO reviewed. A final summary report will highlight best practices observed during the site visits and offer overall recommendations for improvement in the MCO utilization management function based on results from the four audited MCOs.

Audit Division progress

The Audit Division has issued 42 reports since the beginning of fiscal year 2016, well over its target. The division is scheduled to issue an additional eight reports in the fourth quarter of the fiscal year.



Rolling audit plan initiated

The IG is initiating a new version of its audit plan, which will incorporate a three-year rolling audit plan approach. In addition to detailing the scope and objectives of audits that are in progress, the plan will include a list of audits the IG plans to initiate during the six months following the issuance of the plan, and a list of audit topics the IG will consider initiating over the next three years. Because risks and priorities change over time, the plan will be updated and issued quarterly to reflect changes to scheduled audits.

The new audit plan, to be issued on September 1, 2016, will include a list of audits the IG plans to initiate in the first six months of fiscal year 2017, including audits related to managed care, SNAP, and several provider types including durable medical equipment, pharmacy, and therapy. The Audit Division will make adjustments to the plan as needed to accommodate changing risks and requests from executive management, and will coordinate with the Medicaid/CHIP Division and other applicable HHS program areas prior to initiating a project.

Inspections

Section

5

Inspections

Overview

The Inspections Division conducts inspections and reviews of Health and Human Services programs, systems, or functions focused on systemic issues and providing practical recommendations to improve effectiveness and efficiency to prevent fraud, waste, and abuse, and to ensure the greatest benefit to the citizens of Texas.

The Division comprises two Directorates:

- Inspections
- Women, Infants, and Children Vendor Monitoring Unit (WIC VMU)

Inspections finalized its staffing structure this quarter and continued hiring new team members to execute the mission. Quinton Arnold, Deputy Inspector General for Inspections, oversees the division, with the Inspections Directorate led by Lisa Pietrzyk and Craig Utley overseeing the WIC VMU.

The division's top priorities focus on hiring inspections team personnel, developing and conducting core skills training, establishing a clear process for conducting inspections, and implementing policies and procedures that govern the inspection activities.

In April, division personnel attended The National Certified Investigator and Inspector Training in Austin, which covered investigation and inspection techniques. This training focused on the core competencies necessary for all inspections. The team also developed training materials on the inspections process, which will guide the conduct of inspections.

WIC Vendor Monitoring Unit

WIC VMU conducts in-store evaluations, covert compliance buys, and invoice audits to monitor vendors participating in the WIC program. During this reporting period, the unit conducted 86 compliance buys and 13 in-store evaluations, meeting 100 percent of the compliance activities and 100 percent of the in-store evaluations mandated by the USDA. There were 57 cases closed during the quarter with a cost avoidance of $2,263,569 identified. Civil monetary penalties assessed on vendors for program non-compliance were $6,785 and total dollars recovered for the quarter were $10,468.

Top accomplishments this quarter

- Identified $2,263,569 in cost avoidance
- Presented at Texas P-WIC Association meeting
- Conducted National Certified Inspector Training

WIC VMU vendor engagement

In May, the Inspections Division began to engage with the vendor community to better understand how they operate, execute the WIC program rules, and consider the challenges they face. The WIC vendor community primarily consists of large retail grocers and small Predominantly-WIC (P-WIC) stores, which sell only WIC approved items. On May 12, Inspections leadership was invited to visit an Austin-based P-WIC business to learn more about their specialized industry, their benefit to the community and the participants, and the challenges they face. As a result of the positive engagement, Inspections Division Leadership was invited to speak at a monthly Texas P-WIC Association Conference. The Texas P-WIC Association is a network of business owners in Dallas, Austin, San Antonio, Houston, and the Rio Grande Valley, and represents the bulk of Texas P-WIC stores. During the meeting, the Inspections Division leadership was given the opportunity to fully explain the role and responsibility of the IG in the oversight of the WIC Program and our mandated compliance obligation in preventing fraud, waste, and abuse. The open forum environment also allowed the P-WIC Association members the opportunity to ask questions to address their specific concerns and also understand the IG's compliance methodology while adhering to the state and USDA rules and regulations.

PROFESSIONALISM
PRODUCTIVITY
PERSEVERANCE

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800-436-6184

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call the HHSC Inspector General Integrity Line

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