

# Risk Assessment Puerto Rico Medicaid Program

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## Why OIG Did This Risk Assessment

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The Further Consolidated Appropriations Act, 2020 (P.L. 116-94) mandated that OIG develop and submit to Congress a report identifying payments made under the Commonwealth of Puerto Rico's Medicaid program to Managed Care Organizations that are at high risk for fraud, waste, or abuse, and a plan for auditing such payments.

## How OIG Did This Risk Assessment

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To fulfill OIG's responsibilities under P.L. 116 94, we conducted a high-level risk assessment of Puerto Rico Medicaid program controls and processes. Our approach included interviewing program officials from the various units that administer the Puerto Rico Medicaid program and reviewing documents that they provided.

## What OIG Found

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We identified program integrity, beneficiary eligibility, provider enrollment, overpayment reporting, and contracting as key areas at high risk for improper Medicaid program payments. In addition, we determined that the risk of improper Medicaid program payments in Puerto Rico could be increased because there have been no recent reviews of Puerto Rico Medicaid program payments performed by the Centers for Medicare & Medicaid Services, and because Puerto Rico's Medicaid Management Information System has not been fully implemented. Finally, we identified one area (program management) at moderate risk for improper Medicaid program payments due to limitations in staff hiring and training.

Based on the results of our high-level risk assessment, we determined that to protect Federal funds by identifying inaccurate program payments, audits of Puerto Rico's Medicaid program are warranted. We have used the results of this assessment to set priorities for performing these audits. We plan to initiate two audits in fiscal year 2021 related to potentially improper payments. Specifically, we will determine if Puerto Rico improperly claimed Medicaid reimbursement for payments on behalf of deceased beneficiaries and beneficiaries assigned multiple Medicaid identification numbers.

As part of our normal process for developing future oversight work, we will consider the remaining areas identified in our high-level risk assessment, including program integrity, beneficiary eligibility, provider enrollment, overpayment reporting, and contracting.

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