



441 G St. N.W.
Washington, DC 20548

June 14, 2017

The Honorable Tim Murphy
Chairman
The Honorable Diana DeGette
Ranking Member
Subcommittee on Oversight and Investigations
Committee on Energy and Commerce
House of Representatives

This letter responds to your request that we address questions submitted for the record related to the May 2, 2017, hearing entitled *Combating Waste, Fraud, and Abuse in Medicaid's Personal Care Services Program*. GAO's responses to these questions are enclosed and are based on previous work related to the areas addressed.

If you have any questions about these responses our need additional information, please contact Katherine at [REDACTED]

[REDACTED]

Katherine Iritani
Director, Health Care

Enclosure

cc: Emily Felder
Kevin McAloon

GAO Responses to Questions for the Record
Following the Committee's May 2, 2017 Hearing,

“Combating Waste, Fraud, and Abuse in Medicaid’s Personal Care Services Program”

The Honorable Frank Pallone

QFR 1a. How do different program requirements affect beneficiary safeguards, as well as fiscal oversight?

Differing federal requirements across the different types of Personal Care Services (PCS) programs can result in significant differences in beneficiary safeguards and fiscal oversight:

- Beneficiaries may experience different health and welfare safeguards depending on the program in which they are enrolled. For example, in one state we reviewed, the state requires quarterly or biannual monitoring of beneficiaries for most of its PCS programs. For another program operated under the PCS state plan authority (Social Security Act § 1905(a)(24), the state requires only annual monitoring contacts. Officials told us that the reason for this difference was because, for that type of program, the state was not required to provide assurances to the Centers for Medicare & Medicaid Services (CMS) that they safeguard beneficiaries’ health and welfare.
- States can use different processes for each PCS program to ensure that billed services are actually provided, and some state programs may not be subject to any specific federal PCS requirements in this regard. For example, in one state we reviewed, steps taken to ensure billed services are provided under some types of PCS programs are not required in another of the state’s programs. The state reported that it used its quality assurance process in some of its PCS programs to meet with and verify service delivery with the beneficiary in an effort to ensure that billed services are provided. In one PCS program, a supervisor must visit the beneficiary and document whether the attendant is delivering the authorized PCS tasks, a recommended practice.¹ The state did not apply the same process to another of its programs, and federal requirements for this particular program type do not include specific requirements that states help ensure that PCS billed services are provided.

¹Centers for Medicare & Medicaid Services, *Increasing Fiscal Protections for Personal Care Services*, webinar (2016), accessed October 24, 2016, <https://www.medicaid.gov/medicaid/hcbs/downloads/hcbs-increasing-fiscal-protections-v6.pdf>.

GAO Responses to Questions for the Record
Following the Committee’s May 2, 2017 Hearing,
“Combating Waste, Fraud, and Abuse in Medicaid’s Personal Care Services Program”

The Honorable Frank Pallone

QFR 1b. What steps should CMS take to harmonize requirements across PCS programs?

CMS’s efforts to harmonize personal care services requirements have not addressed the significant differences across federal program requirements specific to PCS related to beneficiary safety and ensuring that billed services are provided.² We found that how states screen, train, and monitor attendants, and ensure billed services are provided, varies, not only between states but even within states, by program. In our view, CMS could take a number of steps to improve the coordination among and regulation of all PCS programs, such as:

- Analyze requirements across all authorities to identify similarities and differences;
- Solicit input from stakeholders on what PCS requirements should be more consistent or coordinated; and
- In view of this information and our findings, consider changes to future guidance that would harmonize HCBS and PCS programs by streamlining and making requirements more consistent across programs.

We note that the HHS OIG has observations similar to GAOs. Based on numerous reviews of state PCS programs, the HHS OIG recommended that CMS issue regulations to reduce the significant variation in states’ PCS requirements for documenting claims for payment for services, supervision of attendants, and attendant qualification standards.³

²For purposes of this analysis, we reviewed regulations specific to PCS services, which appear at 42 C.F.R. Parts G, J, K, and M, as well as any PCS-specific guidance issued by CMS. We did not review regulations or guidance of general applicability, such as Medicaid program integrity requirements set forth in 42 C.F.R. part 455, because changes to these requirements would affect services beyond those provided under PCS programs.

³The OIG listed this recommendation—to reduce the significant variation in states’ PCS requirements for documenting claims for payment for services and supervision of attendants—among its 25 most crucial unimplemented recommendations. The OIG reported that CMS had not yet implemented these recommendations as of April 2016. U.S. Department of Health and Human Services, Office of the Inspector General, *Compendium of Unimplemented Recommendations* (Washington, D.C.: April 2016).