



DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



June 30, 2026

Attorney General Letitia A. James
New York State Office of the Attorney General
Justice Building, 2nd floor
Albany, NY 12224-0341

Director Amy Held
Medicaid Fraud Control Unit New York
Office of the Attorney General
28 Liberty Street, 13th floor
New York, NY 10005

Dear Attorney General James and Director Held:

American taxpayers provide nearly half a billion dollars every year to State governments to fund State Medicaid Fraud Control Units (MFCUs or Units), which are obligated by Federal law to use that money to effectively fight Medicaid fraud and protect patients from abuse and neglect. New York receives approximately \$60 million per year from American taxpayers for these same purposes and has a staff of more than 270 people. The Unit has a vitally important mission—to root out fraud for one of the largest Medicaid programs in the country, which provides coverage for 7 million people at a cost of more than \$100 billion annually.

Given this substantial investment in the New York MFCU, American taxpayers and the Federal Government expect the State's top law enforcement official, the New York Attorney General, to use those tens of millions of Federal dollars to effectively fight Medicaid fraud and protect Medicaid patients from abuse and neglect. The New York MFCU and the New York Attorney General's Office are not living up to this expectation or meeting the grant requirements. The Department of Health and Human Services, Office of Inspector General (OIG) has reviewed the Unit's 2026 recertification information and determined that the Unit has been the lowest performing Unit in terms of both Medicaid fraud and patient abuse and neglect cases among similar-sized Units¹. The New York MFCU was the poorest performing Unit by a wide margin among similar-sized Units from 2023 to 2025. In FY 2025 and FY 2023, the Unit only secured eight or nine criminal indictments while other similar-sized Units have secured hundreds, even though those other Units oversee Medicaid programs that are half the size of the New York Medicaid program.

On May 1, 2026, OIG conditionally recertified the Unit pending further review. At that time, OIG decided a targeted onsite visit was needed to better understand the cause of the Unit's low criminal case outcomes. Based on that review, which was conducted during the week of June 8,

¹ Similar-sized Units include California, Texas, Ohio, and Florida.

2026, OIG has determined that a major factor of the New York MFCU's performance was a deliberate leadership choice that led the Unit to focus on "high-impact, complex fraud cases." This decision has shifted focus from criminal fraud and patient abuse and neglect to civil fraud cases, even though the relevant statutes and regulations make clear that State MFCUs are expected also to prosecute criminal cases. This shift in focus has not resulted in the New York MFCU achieving significantly improved results for its civil cases. From FY 2020 to FY 2025, the Unit's total recoveries are ranked third of five among similar-sized Units. As a result of this leadership failure and poor decision making—and with billions of dollars at stake and millions of people expecting safe care for their families—the New York MFCU has been ineffective in fighting criminal cases involving Medicaid fraud or abuse or neglect of Medicaid patients.

Enough is enough. As explained below, the New York MFCU has failed to comply with the terms and conditions of its MFCU grant award. In response, the New York MFCU must take immediate action to demonstrate that it is capable of effectively carrying out its statutory fraud-fighting responsibilities before OIG considers any additional funding to the Unit.

OIG is denying the New York MFCU recertification request. This letter serves as written notice and explanation of OIG's findings on which the denial is based (42 CFR § 1007.17(d)). Under the Social Security Act (SSA) §§ 1903(a)(6) and (q) and 42 CFR § 1007.19(d)(1), Federal funding is allowable only if a Unit has been certified and recertified annually by OIG. Based on the determination to deny the New York MFCU recertification application, OIG is suspending the New York MFCU Federal grant due to failure to materially comply with Federal statutes, regulations, and the terms and conditions of the grant. See 2 CFR § 200.339(c). The suspension is effective July 1, 2026, and extends through September 30, 2026, when the New York MFCU's current grant period expires.

Statutory and Regulatory Background

The SSA requires each State to demonstrate that it operates a MFCU that effectively carries out its statutory functions and responsibilities (SSA §§ 1902(a)(61) and 1903(q)). OIG, through delegations from the Secretary of Health and Human Services, is responsible for annually recertifying and funding each Unit (SSA §§ 1903(a)(6), (b)(3), and (q); 44 Fed. Reg. 47809, 47811 (Aug. 15, 1979)). To continue receiving Federal funding, a Unit must be certified. Under SSA §§ 1903(a)(6) and (q) and 42 CFR § 1007.19(d)(1), Federal funding is allowable only if a Unit has been certified and recertified annually by OIG.

OIG may approve or deny a Unit's annual recertification application and must provide written explanation for denials (42 CFR § 1007.17(d)(2)). When making recertification determinations, OIG evaluates whether the Unit has demonstrated that it effectively carries out the functions and requirements described in SSA § 1903(q), as implemented by 42 CFR part 1007. In making these determinations, OIG reviews the information described in 42 CFR §§ 1007.17(a) and (b) and considers the factors in 42 CFR § 1007.17(c).

OIG may impose special conditions or restrictions and may require corrective action, as provided in 2 CFR § 200.208, before approving a reapplication for recertification (42 CFR § 1007.17(d)(1)). When OIG determines that a Unit's noncompliance with Federal statutes, regulations, or the terms and conditions of the MFCU grant cannot be remedied by imposing

special conditions, OIG may impose financial remedies, including suspending the Federal award (2 CFR § 200.339(c)).

Basis for Denying Recertification

OIG is denying recertification because the New York MFCU is not effectively carrying out its statutory functions and responsibilities as required by SSA §§ 1902(a)(61) and 1903(q) and implemented in 42 CFR part 1007. OIG considered the following factors and information and determined that the Unit is not effectively carrying out its statutory functions and requirements and is not complying with the terms and conditions of the MFCU grant.

Findings Under Each of the Five Certification Factors in 1007.17(c)(1)-(5).

1. Compliance With Regulations (42 CFR § 1007.17(c)(1)): The New York MFCU is not effectively carrying out its statutory functions and responsibilities as required by SSA §§ 1902(a)(61) and 1903(q)). That determination is based on the details provided under factors 1007.17(c)(3), (4), and (5) explained below.

2. Compliance With Policy Transmittals (42 CFR § 1007.17(c)(2)): The New York MFCU generally complied with OIG policy transmittals.

3. Adherence to Performance Standards (42 CFR § 1007.17(c)(3)): OIG has determined that the New York MFCU is not adhering to the MFCU Performance Standards as published in the *Federal Register* (89 Fed. Reg. 76431, September 2024). OIG assesses a Unit's adherence to all performance standards when assessing recertification of MFCUs. To explain the results of that assessment, OIG provides the following information as examples of the Unit's lack of adherence under four of those performance standards.

- **Performance Standard 2—Staffing:**
The Unit employs a total number of professional staff commensurate with the State's total Medicaid program expenditures. As of 2025, the New York MFCU employs 272 staff. However, based on the number of investigators and auditors, the New York MFCU does not employ an appropriate mix of professional staff. As reported in its FY 2025 annual statistical report, the Unit has 88 auditors and 69 investigators. Although OIG recognizes that the New York MFCU auditors support its investigators on fraud investigations, this mix has not enabled the New York MFCU to effectively investigate and prosecute fraud or patient abuse and neglect cases. The Unit must reassess its staffing approach to ensure that it has the appropriate mix of professionals to effectively investigate and prosecute fraud and patient abuse and neglect.
- **Performance Standard 4—Referrals:**
In 2025, the NY MFCU received 2,599 total allegations, including 478 fraud allegations and 2,121 patient abuse and/or neglect allegations. However, the Unit reports low viable referrals from managed care organizations (MCOs). It has been working with the State Medicaid Program Integrity Unit to improve the quality and timeliness of the referrals it receives.

OIG has noted that the New York MFCU has received a low number of referrals from MCOs since 2017. In the 2017 onsite report, OIG observed that the Unit struggled to receive fraud referrals from MCOs. Despite being aware of this issue since 2017, the Unit has not made progress in nearly 10 years. In its 2025 recertification information, the New York MFCU noted that most MCOs are not generating sufficient numbers of quality fraud referrals given the scope of their role in the New York Medicaid program.

OIG agrees; the Unit and the State of New York must do more to ensure that New York Medicaid MCOs are taking fraud seriously and fulfilling their obligations to work with the Unit.

- **Performance Standard 5—Case Progression:**
The New York MFCU is not effectively managing its case progression. Thirty-four percent of the MFCU’s open cases are more than 3 years old. And as the Unit notes in its recertification information, it is also working to clear a backlog of cases opened before the COVID-19 pandemic. Furthermore, 69 percent of referrals received from the State Medicaid Program Integrity Unit were in pending status at the New York MFCU for 2 years or more.

These data demonstrate that the Unit’s efforts to make reasonable case progression are not effective. While the Unit explains the number of steps it is taking to address challenges it identified with its case progression, the results have not demonstrated that the Unit is able to make reasonable progress based on its current strategy. The Unit must reassess its approach and determine what needs to change or improve so that it can make progress on its cases.

- **Performance Standard 8—Cooperation:**
The Unit’s cooperation with OIG must be improved to help it effectively combat fraud in the massive New York Medicaid program. While OIG’s Office of Investigations (OI) believes the Unit has a number of strengths, there are areas that need improvement that could help the Unit more effectively fight fraud. For example, OI would like the MFCU to work on more joint cases with both Medicare and Medicaid exposure. OI notes that the New York MFCU believes it cannot get credit for joint cases and as a result there is little interest from the Unit in working on Federal cases, especially when being federally prosecuted. However, OIG’s performance standards clearly indicate that this is not true—Joint cases are a key way to ensure effective cooperation. Performance Standard 8.c states “[t]he Unit cooperates and, as appropriate, coordinates with OIG’s Office of Investigations and other Federal agencies on cases being pursued jointly” Consistent with that performance standard, OIG has encouraged MFCUs to work cases jointly, track those outcomes, and report the results as part of their annual statistical report.

Additionally, OI reports that while the Unit participates in regular communications to generally coordinate, the Unit’s coordination on specific cases is minimal but adequate. As a result, OI reported that communication with the MFCU is adequate but takes work and can be slow.

Furthermore, in OIG’s June 2026 targeted onsite visit, OIG observed that the Unit is not regularly tracking cases it has referred for prosecution, especially criminal fraud and patient

abuse/neglect. Not tracking cases can result in the Unit missing providers convicted of criminal fraud or patient abuse and neglect who must be referred to OIG for exclusion. Similarly, it may also limit the Unit’s ability to accurately report its outcomes if it is not tracking these cases.

4. Effectiveness Investigating and Prosecuting Fraud (42 CFR § 1007.17(c)(4)): The New York MFCU is not using its resources effectively to investigate cases of possible fraud in the administration of the Medicaid program, the provision of medical assistance, or the activities of providers of medical assistance under the State Medicaid plan, and to prosecute cases or cooperate with the prosecuting authorities. Among the factors that OIG has considered in assessing the Unit’s effectiveness in investigating and prosecuting fraud are the Unit’s case outcomes as reported in the annual statistical report and how the Unit compares with similar-sized peers.

The New York MFCU is not effectively prosecuting criminal Medicaid fraud. For criminal fraud convictions, the New York MFCU is last (five of five) among similar-sized Units (see Table 1). The Unit reported only 53 fraud convictions from 2023 to 2025. This is by far the lowest among similar-sized Units; the next lowest number of reported fraud convictions for this period was 129.

Table 1: Total Fraud Convictions for the New York MFCU Compared to Similar-Sized Units (2015–2025)

| | New York MFCU | California MFCU | Texas MFCU | Florida MFCU | Ohio MFCU |
|--|---------------|-----------------|------------|--------------|------------|
| 2015 | 57 | 59 | 68 | 54 | 133 |
| 2016 | 88 | 98 | 52 | 41 | 110 |
| 2017 | 70 | 144 | 128 | 54 | 123 |
| 2018 | 67 | 113 | 64 | 37 | 99 |
| 2019 | 56 | 90 | 63 | 36 | 108 |
| 2020 | 14 | 69 | 35 | 16 | 86 |
| 2021 | 9 | 53 | 48 | 25 | 115 |
| 2022 | 13 | 42 | 59 | 43 | 117 |
| 2023 | 7 | 56 | 55 | 37 | 126 |
| 2024 | 21 | 40 | 70 | 48 | 80 |
| 2025 | 25 | 33 | 75 | 68 | 64 |
| Total Fraud Convictions from 2023 to 2025 | 53 | 129 | 200 | 153 | 270 |

The New York MFCU has similarly low results for its criminal indictments. It ranks last among indictments for similar-sized Units (see Table 2). In 4 of the last 5 years, it has secured fewer than 10 criminal indictments for fraud.

Table 2: New York MFCU Total and Fraud Indictments (2021–2026)

| | Total Indictments | Fraud Indictments | Rank to Similar-Sized Units (out of 5) |
|------|--------------------------|--------------------------|---|
| 2021 | 10 | 6 | 5 |
| 2022 | 8 | 8 | 5 |
| 2023 | 9 | 5 | 5 |
| 2024 | 18 | 17 | 5 |
| 2025 | 9 | 7 | 5 |

The New York MFCU provided additional data that indicate that its performance in FY 2026 for criminal fraud cases is improving. However, the Unit’s recent performance history when compared to the size of the New York Medicaid program demands more progress. As mentioned previously, the New York MFCU oversees one of the largest Medicaid programs in the country. Yet the Unit’s results have been much lower than these similar-sized Units that oversee Medicaid programs that spend hundreds of millions of dollars less than New York and cover far fewer individuals.

Assessing the New York MFCU against smaller Units that have responsibility to oversee smaller Medicaid programs confirms that the New York MFCU is not effectively investigating fraud. For example, the Indiana MFCU has a staff of 56, a budget of almost \$9 million, and oversees a Medicaid program of about \$20 billion. With a smaller staff and lower budget, in FY 2025, the Indiana MFCU was able to secure five times the number of fraud indictments (38 to 7) and more fraud convictions (28 to 25). Despite its smaller size and its significantly higher criminal output, the Indiana MFCU also secured more civil recoveries (\$144.6 million) than the New York MFCU (\$110.5 million). Similarly, the Arizona MFCU (with a staff of 31, a budget of approximately \$6 million, and a Medicare program of \$22 billion) had seven times more indictments (70 compared to 9) and nearly double the convictions (51 compared to 26). While both Arizona and Indiana are high-performing Units, comparing them provides a stark contrast and demonstrates why the New York MFCU outcomes are so concerning. Despite overseeing a program that is more than \$80 billion larger and having significantly more resources at its disposal, the New York MFCU is underperforming compared to smaller Units. The New York MFCU’s criminal fraud results do not demonstrate that the Unit is effectively investigating and prosecuting fraud and are even more concerning when you consider how large its Medicaid program is compared to other States.

To assess the cause of these low outcomes, OIG conducted a targeted onsite review the week of June 8, 2026. Based on that targeted onsite review, OIG observed that a major factor explaining the Unit’s results was a deliberate leadership choice to focus on civil fraud cases. The Unit’s strategic plan, which dates back to 2015, is still being used to guide decisions in 2026. The core feature of that plan is to target high-impact, complex fraud cases. That plan, in addition to thresholds that the Unit has adopted, has led the Unit to focus on civil fraud cases.

This choice has produced results for civil fraud cases. The Unit has been effective at obtaining civil recoveries that are largely in line with those of its peers. In 2025, for example, the New York MFCU recovered \$110.5 million, of which nearly \$89 million was based on its successful civil case judgments and settlements (i.e., non-global cases). This ranks it second out of five similar-sized Units for 2025. In its 2026 recertification information, the Unit also provided several examples in which its civil work resulted in novel settlement arrangements, many of which held nursing homes accountable for systemic neglect and fraud.

While OIG recognizes the positive impact of those cases and the Unit’s civil results, this evidence does not outweigh the sustained poor outcomes for the Unit’s criminal fraud cases. Had the Unit’s strategic plan produced civil results that were well above its similar-sized peers or at least commensurate with the size of the New York Medicaid program, that may have provided evidence that the Unit’s leadership strategy was effectively combating fraud. Instead, the Unit has sacrificed its ability to effectively fight criminal fraud to obtain civil recoveries that are largely in line with its peers and rank it third out of five among similar-sized Units over the last 5 years for combined recoveries (see Table 3).

Table 3: Total Recoveries for Criminal and Civil Cases from Five Similar-Sized Units

| Fiscal Year | New York MFCU | California MFCU | Texas MFCU | Florida MFCU | Ohio MFCU | New York Rank |
|--|------------------------|-----------------------|-----------------------|----------------------|----------------------|---------------|
| 2020 | \$181,023,005 | \$56,983,518 | \$74,435,337 | \$15,479,391 | \$75,341,136 | 1st |
| 2021 | \$77,032,036 | \$72,973,624 | \$394,766,169 | \$13,071,540 | \$39,905,702 | 2nd |
| 2022 | \$59,027,604 | \$108,517,301 | \$219,876,848 | \$88,334,627 | \$9,342,653 | 3rd |
| 2023 | \$73,204,518 | \$362,823,882 | \$283,141,069 | \$18,323,053 | \$22,607,685 | 3rd |
| 2024 | \$61,950,472 | \$583,830,457 | \$111,800,769 | \$76,220,595 | \$17,106,841 | 4th |
| 2025 | \$110,479,749 | \$102,126,213 | \$151,926,474 | \$107,607,792 | \$25,781,578 | 2nd |
| Total | \$562.7 million | \$1.29 billion | \$1.23 billion | \$319 million | \$190 million | 3rd |
| 2024 State Medicaid Expenditures (most recent available) | \$99 billion | \$157 billion | \$50 billion | \$35.5 billion | \$35 billion | |

Furthermore, had the Unit successfully used its strategic plan to target complex, large-scale fraud schemes, the outcome of those cases should have improved the Unit’s return on investment. When compared to the national return on investment, the New York MFCU is significantly below that national figure every year, which indicates it is consistently underperforming when compared to other Units (see Table 4).

Table 4: New York MFCU Return on Investment Versus Total Return on Investment by All 53 MFCUs by Year

| Year | For every \$1 spent on the New York MFCU it returned: | For every \$1 spent on all 53 MFCUs, all Units returned: |
|------|---|--|
| 2020 | \$3.61 | \$3.36 |
| 2021 | \$1.51 | \$5.36 |
| 2022 | \$1.09 | \$3.08 |
| 2023 | \$1.31 | \$3.35 |
| 2024 | \$1.09 | \$3.46 |
| 2025 | \$1.84 | \$4.64 |

5. Effectiveness Investigating and Prosecuting Patient Abuse and Neglect (42 CFR § 1007.17(c)(5)): The New York MFCU is not investigating effectively Medicaid patient abuse and neglect cases. Specifically, the Unit is not using its resources effectively to review and investigate, refer for investigation or prosecution, or criminally prosecute complaints alleging abuse or neglect of patients or residents in health care facilities receiving payments under the State Medicaid plan and, at the Unit’s option, in board and care facilities. Among the factors that OIG has considered in assessing the Unit’s effectiveness in investigating and prosecuting patient abuse and neglect are the Unit’s case outcomes as reported in the annual statistical report and how the Unit compares with similar-sized MFCUs.

The New York MFCU ranks last out of five similar-sized Units for patient abuse and neglect convictions and indictments. The Unit reported four patient abuse and neglect convictions from 2023 to 2025. This is by far the lowest of the five similar-sized Units. The next lowest number of reported fraud convictions among these Units for this 3-year period was 18. Finally, this declining trend accelerated beginning in 2020. As indicated in Table 5 below, the New York MFCU was among the top of similar-sized Units for several years in this category. However, for 5 consecutive years, it has been ranked at the bottom of these similar-sized Units.

Table 5: Patient Abuse and Neglect Convictions for Similar-Sized Units (2015–2025)

| Year | New York MFCU | California MFCU | Texas MFCU | Florida MFCU | Ohio MFCU | New York Rank |
|------|---------------|-----------------|------------|--------------|-----------|---------------|
| 2015 | 53 | 56 | 17 | 23 | 27 | 2nd |
| 2016 | 32 | 75 | 9 | 10 | 16 | 2nd |
| 2017 | 48 | 44 | 9 | 7 | 32 | 1st |
| 2018 | 30 | 73 | 5 | 12 | 49 | 3rd |
| 2019 | 30 | 61 | 9 | 11 | 58 | 3rd |
| 2020 | 4 | 24 | 2 | 11 | 32 | 4th |
| 2021 | 3 | 35 | 5 | 10 | 41 | 5th |
| 2022 | 5 | 24 | 12 | 23 | 43 | 5th |
| 2023 | 1 | 11 | 5 | 9 | 57 | 5th |
| 2024 | 2 | 8 | 8 | 10 | 49 | 5th |
| 2025 | 1 | 10 | 5 | 14 | 44 | 5th |

The Unit receives more than 2,000 patient abuse and neglect referrals a year, has a staff of more than 270 people, and oversees a Medicaid program that covers 7 million individuals. Yet it has secured only one or two convictions in each of the last 3 years, and no more than five in any of the last 6 years. That outcome does not demonstrate that the Unit is effective in investigating and prosecuting patient abuse and neglect cases. During the 2026 targeted onsite review, OIG observed that the Unit was prioritizing patient abuse and neglect cases with significant bodily harm. Cases that did not meet the Unit’s threshold were referred out.

Furthermore, during the 2026 targeted onsite review, OIG observed that the Unit failed to monitor the results of the cases it referred. Without tracking those referrals, the Unit cannot ensure that Medicaid funds are recovered or that a health care provider is excluded. For providers convicted of patient abuse and neglect, that provider is subject to mandatory exclusion from Medicare and Medicaid by OIG. Exclusion is a major deterrent and helps ensure that providers found guilty of abuse and neglect cannot harm more patients. The New York MFCU’s failure to track these referrals is compounded because it is securing so few indictments or convictions. Instead, the results of their referrals are even more important to ensure the safety of the 7 million New Yorkers covered by Medicaid. It is yet another indicator that the MFCU is not effectively investigating and prosecuting patient abuse and neglect cases.

Effect of Recertification Denial and Suspension of the Federal Grant

Pursuant to SSA §§ 1903(a)(6) and (q) and 42 CFR § 1007.19(d)(1), reimbursement is allowable under the MFCU grant program only if a Unit has been certified and recertified by OIG. As a result of the denial of recertification, reimbursement for costs attributable to the specific responsibilities and functions set out in part 1007 effective July 1, 2026, are not allowable and will not be reimbursed. OIG is suspending the New York MFCU Federal grant due to failure to materially comply with Federal statutes, regulations, and the terms and conditions of the grant. See 2 CFR § 200.339(c).

To regain recertification, the New York MFCU must take corrective actions, as detailed in Enclosure A.

To the extent that the New York MFCU regains certification prior to September 30, 2026, by showing that it has remediated the concerns that formed the basis for this suspension as described in this recertification denial letter, this suspension could be lifted, or the New York MFCU could otherwise receive reimbursement consistent with relevant statute and regulations. Should the New York MFCU fail to take corrective action by September 30, 2026, the Unit's recertification status will continue as denied, and OIG will not award the Unit's Federal grant funds for FY 2027 (42 CFR § 1007.17; 2 CFR § 200.339).

Notification of Option To Request Reconsideration

The New York MFCU may request that OIG reconsider the denial of recertification and the suspension of the Federal grant by providing written information contesting the findings on which the denial and suspension was based (42 CFR § 1007.17(e)(1)). If the Unit requests reconsideration, within 30 days of receipt of the request, OIG will provide a final decision in writing, explaining its basis for approving or denying the reconsideration of recertification and the suspension (42 CFR § 1007.17(e)(2)).

If you wish to request reconsideration of the denial of recertification and suspension, please send written information contesting the findings described in this letter to Thomas.Bell@oig.hhs.gov.

Sincerely,



T. March Bell
Inspector General

Enclosure

Enclosure A: Special Conditions for Corrective Action

To regain recertification, the New York MFCU must take corrective actions to come into compliance with the MFCU performance standards (42 CFR § 1007.17(c)(3)). The New York MFCU must also demonstrate effectiveness in using its resources to investigate and prosecute criminal Medicaid fraud cases and Medicaid patient abuse or neglect cases (42 CFR § 1007.17(c)(4)-(5)). Upon OIG's determination that the Unit has taken the actions necessary to comply with its regulatory requirements, OIG may recertify the New York MFCU. To the extent that the New York MFCU regains certification prior to September 30, 2026, this suspension could be lifted, or the New York MFCU could otherwise receive reimbursement consistent with relevant statute and regulations. Outlined below is an initial list of corrective actions. It should not be interpreted as an all-inclusive list. OIG will continue to work with the New York MFCU to identify all actions necessary for it to meet its obligations under the law.

- Staffing:

The Unit must take the following steps to address the staffing deficiencies described in this letter. Specifically, within 30 days of the date of this letter, the Unit must provide to OIG a staffing plan that details how the Unit will rebalance its staff to effectively carry out its statutory responsibilities to fight fraud and patient abuse and neglect. The staffing plan must specify the staff positions the Unit will add or fill, the targeted timeframe for onboarding each staff position, and the actions the Unit will take to meet its targeted timeframes. In addition, within 90 days of the date of this letter, the Unit must provide to OIG a progress report that details steps the Unit has taken in accordance with its staffing plan. OIG may provide feedback to the Unit on the staffing plan and progress report, as necessary. To obtain recertification, the Unit has to do more than merely submit a plan for improvement and a progress report; it must also demonstrate significant progress toward addressing the staffing deficiencies described in this letter.

- Referrals:

The Unit must take steps to address the referral deficiencies described in this letter. Specifically, within 30 days of the date of this letter, the Unit must provide to OIG a root cause analysis of the low referrals and an action plan that details steps the Unit will take to increase its referrals. The action plan must specify the referral entities with which the Unit will schedule regular meetings (at least monthly) and a description and targeted timeline for providing training or other information to the specified referral entities to encourage referrals. In addition, within 90 days of the date of this letter, the Unit must provide to OIG a progress report that details steps the Unit has taken in accordance with its action plan and the number of referrals from each referral source over the last 90 days. OIG may provide feedback to the Unit on the action plan and progress report, as necessary. To obtain recertification, the Unit has to do more than merely submit a plan for improvement and a progress report; it must also demonstrate significant progress toward addressing the referral deficiencies described in this letter.

- Case Progression:

The Unit must take steps to address the case progression deficiencies described in this letter. Specifically, within 30 days of the date of this letter, the Unit must provide to OIG a case progression plan that details how the Unit will ensure adequate case progression. The plan must include the following actions:

1. The Unit must track the amount of time professional employees spend on each case to help enable supervisors to adequately monitor case progression.
2. Professional employees must document action taken on each case at least quarterly.
3. Supervisors must document reviews of each stage of the investigation, prosecution, and closure of cases at intervals consistent with the Unit's policies and procedures (but at minimum every 90 days).
4. The Unit Director must conduct periodic reviews of the Unit's entire case inventory to assess the Unit's overall case progression.
5. The Unit Director must review any case open longer than 36 months and must document a justification for the prolonged duration.
6. The Unit must ensure it conducts both investigative and prosecutorial steps within a timeframe that does not compromise a case, including the collection of evidence and meeting criminal and civil procedure deadlines and any applicable statute of limitations.
7. For those cases lacking Unit jurisdiction or viable evidence to successfully prosecute the matter, the Unit must promptly close the case and document the reason for closure.
8. Absent documented extenuating circumstances, the Unit must ensure that Unit investigators' caseloads average approximately 10 open cases.
9. The Unit must establish a written strategy to increase indictments.

In addition, within 90 days of the date of this letter, the Unit must provide to OIG a progress report that details the steps the Unit has taken in accordance with its case progression plan and a brief description of any new indictments, convictions, settlements, or judgments since the date of this letter. OIG may provide feedback to the Unit on the case progression plan and progress report, as necessary. To obtain recertification, the Unit must do more than merely submit a plan for improvement and a progress report; it must also demonstrate significant progress toward addressing the case progression deficiencies described in this letter.

- Cooperation With OI:

The Unit must take steps to improve cooperation with OI. Specifically, within 30 days of the date of this letter, the Unit must provide to OIG a cooperation plan that details the steps the Unit will take to improve coordination with OI. The plan must include a schedule of regular meetings with OI to occur at least monthly, and the Unit must include coordination procedures (e.g., joint cases, deconfliction) in the Unit's policies and procedures manual. In addition, within 90 days of the date of this letter, the Unit must provide to OIG a progress report that details the steps the Unit has taken in accordance with its coordination plan. OIG may provide feedback to the Unit on the coordination plan and progress report, as necessary. To obtain recertification, the Unit

must do more than merely submit a plan for improvement and a progress report; it must also demonstrate significant progress toward addressing the cooperation deficiencies described in this letter.