MEDICAID UPDATE
NATIONAL STATE AUDITORS’ ASSOCIATION
2019 CONFERENCE

FACTS
✓ $600 Billion Program
✓ Most States 65%/35% - Federal/State
✓ GAO Projects Growth in Spending
  6%/YR Next 10 Years
✓ $1Trillion+ by 2027
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PLAYERS

✓ DHHS/CMS
  ✓ Federal Agency – Administers Medicare
  ✓ Works w/ State Government to Administer Medicaid

✓ CONGRESS
  ✓ Charged CMS – Control Medicaid Spending
  ✓ Holding Hearings on the Hill

✓ GAO
  ✓ Congressional Watchdog
  ✓ Performs Audits

✓ OBM
  ✓ Responsible for Compliance Supplements

✓ STATE AUDITORS
  ✓ Audits Federal Grants/Benefits

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✓ Meetings/Conference Calls
  ✓ CMS
    ✓ No “real” Robust Plan
    ✓ Slow to incorporate State Auditors’ Assistance
  ✓ GAO
    ✓ Knows CMS Needs to Step-It-Up
    ✓ Wants Joint Audits by State Auditors
  ✓ OMB
    ✓ Responsible for Compliance Supplement
    ✓ Leadership New – Big Learning Curve
    ✓ Staff of US Senators/Congress

✓ Emerging Issues Meetings – Fly-Ins
  ✓ Dallas, TX – Update of Progress Made
  ✓ Denver, CO – Decision to Perform Joint Audit - Eligibility
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Issues

✓ Medicaid Participants Under MAGI Back on 2019 Compliance Supplement for Single Audit
  ✓ Can’t Access the Evidence Necessary to Draw Conclusions To Render Opinion for Single Audit
  ✓ Disclaim Opinion?

✓ Joint Audit – Eligibility Determination – GAO Request
  ✓ States’ Audit Approaches are Different
    ✓ Sampling
    ✓ Population – Dollars vs Participants – Ability to Project Errors
    ✓ Expertise to Re-determine Eligibility
  ✓ Would Include Participants in Program Under MAGI

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Issues

✓ CMS/State Auditors Duplication of Effort
  ✓ PERM Audits Performed by CMS
    ✓ Not Timely
    ✓ Not Useful to Congress/States
    ✓ Duplication of State Auditors’ Work
  ✓ Program Integrity Audits Performed by CMS
    ✓ Not Useful
    ✓ Not Timely

✓ Quality of Compliance Supplements

✓ Data Quality
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**Issues**

- Data Quality
  - Date Unreliable
  - Going to be “long time” coming...
  - How Do We/NSAA Speed This Up?

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**Where Do We Go From Here?**

- Disclaim Opinion/Modified Opinion on Medicaid Program in Single Audit?
- “Encourage” CMS to Use State Auditors’ Work
- Better Quality of Compliance Supplements
- Joint Audits?
- Continue Fly-Ins?
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QUESTIONS?