



January 15, 2013

Daniel R. Levinson
Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Levinson:

I am the Executive Director of the National Resource Center for Participant-Directed Services (NRCPS). At the NRCPS, our mission is to infuse self-directed options in all home and community-based services. We provide national leadership, technical assistance, training, education and research that improve the lives of people of all ages with disabilities. I am writing to seek further information and clarification pertaining to statements put forth regarding self-directed services in the U.S. Department of Health and Human Services Office of Inspector General report entitled *Personal Care Services: Trends, Vulnerabilities, and Recommendations for Improvement* (OIG-12-12-01).

The NRCPS evolved from the Cash & Counseling Demonstration & Evaluation (CCDE), funded by the Robert Wood Johnson Foundation and federal partners and evaluated by Mathematica Policy Research. The CCDE found that individuals who chose to self-direct had improved access to services and supports, reduced unmet needs, improved health outcomes, and reduced caregiver burden. This robust study also examined the issue of fraud and found that program counselors reported very few cases of fraudulent use of the individual's allowance.¹

One of the NRCPS' primary research priorities is to learn more about the incidence of fraud in self direction programs, as well as methods for both detection and prevention. Your report notes both in the Executive Summary and on page 6 that self-directed Medicaid service models are particularly vulnerable to fraud and cites one incident. We are writing to

¹ Brown, R., Carlson, B.L., Dale, S., Foster, L., Phillips, B., & Schore, J. (2007). *Cash & Counseling: Improving the Lives of Medicaid Beneficiaries Who Need Personal Care or Home and Community-Based Services, Final Report*. Princeton, NJ: Mathematica Policy Research. Retrieved January 15, 2013, from <http://www.hcbs.org/moreInfo.php/doc/2108>

request further evidence and information from the Office of Inspector General's (OIG's) audits or elsewhere that support this generalized claim about self-direction. We are concerned that the report, and its claims that self-directed Medicaid service models are particularly vulnerable to fraud, will lead to negative policy implications. For instance, state administrators may cite the report to justify the termination of existing self-directed programs, which in many cases may be unwarranted. We seek to better understand the evidence that led to this conclusion in order to inform our research and technical assistance efforts.

We recognize and commend your role in identifying Personal Care Services fraud as a risk to the home and community-based model of service delivery. At the NRCPS, we agree that the identification and prevention of fraud in home and community-based services is a key issue. Our membership of Financial Management Service providers has also identified fraud as a major topic of importance in our field. Please know that the NRCPS stands ready to offer our assistance in conducting a further analysis into the incidence of fraud in self-directed programs.

Thank you for your consideration of our request. We look forward to your response.

Sincerely,

Kevin J. Mahoney, Ph.D.
Executive Director
National Resource Center for Participant-Directed Services