



ARRA REPORT BY THE  
INSPECTOR GENERAL AND STATE BOARD OF ACCOUNTS

2009-08-0176

September 3, 2009

ARRA REVIEW OF FSSA DMHA MEDICAID FMAP

*Indiana Inspector General David O. Thomas and State Examiner Bruce Hartman of the Indiana State Board of Accounts report as follows:*

This report addresses an evaluation of federal funding of the Medicaid Federal Medical Assistance Percentage (FMAP) Program within the Division of Mental Health and Addiction (DMHA)<sup>1</sup> of the Family and Social Services Agency (FSSA).<sup>2</sup>

The purpose of the DMHA is to ensure that Indiana citizens have access to appropriate mental health and addiction services that promote individual self-sufficiency.<sup>3</sup>

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<sup>1</sup> IC 12-21-1-1.

<sup>2</sup> The Office of the Secretary of Family and Social Services is established at IC 12-8-1-1.

<sup>3</sup> See footnote 1.

## I

We have completed an evaluation of the ARRA portion of the Medicaid Rehab Option billings for the Community Mental Health Centers with the increased Federal Medical Assistance Percentage (FMAP) rates via Intragovernmental Transfer (IGT). The FSSA DMHA estimates ARRA funding of \$17.5 million for 2009 and \$23.3 million for 2010. The program's overall goal is to fund activities that expand consumer access to mental health and addiction care and to lower the cost of such care to consumers and families.

## II

The OIG's enabling statute provides that the OIG "is responsible for addressing fraud, waste, abuse and wrongdoing in agencies." IC 4-2-7-2(b).

The SBOA has similar duties, including the authority to develop and publish "accounting and uniform compliance guidelines manuals" ("Manuals") to provide guidance to public entities, IC 5-11-1-24(a), to perform audits, IC 5-11-1-9, and to make written findings regarding violations of its Manuals or "any law." IC 5-11-5-1(a).

Within these authorities, a preliminary review of the DMHA Medicaid FMAP program was made. This review included, but was not limited to, reviewing the program objectives, meeting with the program staff, reviewing agency-completed spending plans, reviewing monthly update reports submitted to the Indiana Office of Management and Budget (OMB) and an assessment of the program's risks.

From this preliminary review, we make the following findings and recommendations.

### III

#### Findings

From our initial review we conclude that the program controls outlined in the DMHA Medicaid FMAP (IGT) spending plan approved by the OMB or other related documentation are adequate to meet the respective federal ARRA and Indiana OMB guidelines and requirements.

Accordingly, we make no recommendations at this time but at a later date may perform additional procedures as deemed necessary to verify compliance requirements.

Dated this 3<sup>rd</sup> day of September, 2009.



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David O. Thomas, Inspector General