

## Report in Brief

Date: March 2021

Report No. A-06-19-02000

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why **OIG** Did This Audit

The Patient Protection and Affordable Care Act of 2010 established the State Balancing Incentive Payment Program (BIPP), which authorized a \$3 billion Federal appropriation over the program's 4-year period. The purpose of the BIPP was to move States' long-term care programs away from institutional care and toward community-based care. As such, States were required to use the BIPP funding to provide new or expanded community-based long-term services and supports (LTSS). The Centers for Medicare & Medicaid Services (CMS) awarded funds to approved States through an increase in their Federal Medical Assistance Percentage (FMAP) for eligible Medicaid community-based LTSS.

Our objective was to determine whether Louisiana claimed its BIPP expenditures in accordance with Federal requirements.

### How **OIG** Did This Audit

From April 1, 2013, through December 31, 2014, Louisiana claimed \$1.59 billion in BIPP expenditures and received \$31.9 million of BIPP funding at the increased FMAP. We assessed the overall accuracy of amounts claimed on the CMS-64 report by tracing them to supporting summary reports from Louisiana's accounting system. We then selected \$28.9 million of claimed BIPP funds and obtained and analyzed supporting claim data.

## Louisiana Appropriately Claimed Most Balancing Incentive Payment Program Funds

### What **OIG** Found

Louisiana appropriately claimed most of its BIPP expenditures in accordance with Federal requirements. Specifically, of the \$1.59 billion claimed by Louisiana, \$1.53 billion (96 percent) was for eligible noninstitutional LTSS expenditures under the BIPP. Accordingly, Louisiana appropriately received \$30.5 million of BIPP funding at the enhanced FMAP rate. However, \$66.3 million (4 percent) was not related to noninstitutional LTSS because Louisiana mistakenly included ineligible procedure codes as noninstitutional LTSS expenditures on the CMS-64. As a result, Louisiana inappropriately received more than \$1.3 million at the enhanced FMAP rate for ineligible expenditures.

### What **OIG** Recommends and Louisiana Comments

We recommend that Louisiana refund \$1.3 million to the Federal Government in BIPP funding that it received for ineligible expenditures.

In written comments on our draft report, Louisiana concurred with our finding and recommendation and described actions that it has taken and plans to take to address our finding. These actions include refunding \$1.3 million in BIPP funding to the Federal Government, implementing a process to review expenditures before submission of the CMS-64 report, and continuing to train the reporting staff.