The Department of Health and Human Services (HHS) Office of Inspector General (OIG) has sent to the Department and Congress the Semiannual Report for the first half of fiscal year 2004. The publication encapsulates OIG investigations and evaluation and audit reports finalized during the reporting period. This report is an important indicator of both the progress we have made and the challenges this Department faces in achieving greater economy and efficiency.

OIG reported savings to the American taxpayers of over $16.8 billion this reporting period, or approximately $4 billion more than last year’s savings for the same period. In addition, OIG reported exclusions of 1,544 individuals and entities for fraud or abuse of the Federal health care programs and/or their beneficiaries; 234 convictions of individuals or entities that engaged in crimes against departmental programs, and 107 civil actions, which include all False Claims Act and unjust enrichment suits filed in district court, all Civil Monetary Penalties Law settlements, and all administrative recoveries related to provider self-disclosure matters.

Last December, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 was signed into law. The Act specifically enlists OIG to perform a variety of studies that will provide independent factual information to assist the Department in revising aspects of the Medicare program to comply with the new law. The MMA brings to the OIG new responsibilities and increased challenges in providing an adequate level of prudent oversight to the program.

The OIG will continue to be an aggressive force within HHS not only to improve the efficiency of the Department but to punish those who defraud its programs. This office is dedicated to maintaining public credibility of our vital programs.


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