

MFCU INFORMATIONAL HANDOUT

1. What is the MFCU and what do we do?

Since Medicaid is both a federal and state funded program, the State of Iowa is required by Federal law to have a Medicaid Fraud Control Unit (MFCU) which is responsible for policing those federal and state dollars.

MFCUs investigate and prosecute Medicaid provider fraud as well as patient abuse or neglect in health care facilities and board and care facilities. MFCUs operate in 49 States and the District of Columbia. The MFCUs, employ teams of investigators, attorneys, and auditors; are constituted as single, identifiable entities; and must be separate and distinct from the State Medicaid agency (Iowa Medicaid). Health and Human Services - OIG, in exercising oversight for the MFCUs, annually recertifies each MFCU, assesses each MFCU's performance and compliance with Federal requirements, and administers a Federal grant award to fund 75% of each MFCU's operational costs.

See <http://oig.hhs.gov/fraud/medicaid-fraud-control-units-mfcu/index.asp> for additional info.

2. How does the MFCU work with Iowa Medicaid and others on Program Integrity?

In Iowa the MFCU is located within the Iowa Department of Inspections and Appeals. When Medicaid fraud, abuse, or neglect is suspected a referral is made to the MFCU, and a formal investigation may be initiated at the time. The MFCU has developed partnerships that are essential to policing Medicaid dollars, and works closely with its federal counterparts in HHS OIG and the US Attorney Offices. The MFCU also works closely with the Iowa Attorney General's Office and the Iowa Department of Human Services (DHS) Iowa Medicaid Program Integrity Unit located within Iowa Medicaid Enterprise (IME). The MFCU routinely works with local law enforcement and county attorney offices across the state.

Ensuring the integrity of the Medicaid Program within Iowa is a **partnership** that includes multiple state and federal partners. These partnerships have led to many positive results in policing Iowa taxpayer dollars. In a recent federal audit, the Iowa MFCU was ranked (out of 50 MFCUs):

- #2 in number of investigations per employee (33.75/employee vs. national average of 8.41)
- #9 in total convictions (44 vs. national average of 26)
- #45 (tied) in number of employees (8 vs. national average of 39)

3. What is the MFCU's role with Medicaid Modernization?

Iowa is in the process of changing Medicaid to a Managed Care model. This model will include three (3) Managed Care Organizations (MCOs) running a health care payment and delivery system organized to manage cost, utilization, and quality. These three MCOs will become partners in the fight against Medicaid fraud and abuse. All are required by contract to conduct program integrity work and refer potential cases of fraud to the MFCU. The Iowa Department of Inspections and Appeals' MFCU will develop partnerships with these 3 MCO's just as we have with our current program integrity partners, and will continue to aggressively pursue fraud and abuse within the Medicaid program. The MFCU will continue to protect taxpayer dollars by holding those accountable who commit fraud against the Medicaid Program.