



June 2, 2023

Senator Wlmsvey Campos, Co-Chair
Representative Andrea Valderrama, Co-Chair
Joint Ways and Means Human Services Sub-Committee
900 Court Street NE
State Capitol
Salem, OR 97301

Dear Co-Chairs and Committee Members:

Please find below some additional information requested at the meeting of the Joint Ways and Means Human Services Sub-Committee meeting on May 31st and June 1st, 2023, regarding SB 5525 and SB 5526.

Question 1: How is OHA (and ODHS) addressing fraud in the Healthier Oregon Program?

OHA and Oregon Department of Human Services (ODHS) take fraud in OHP very seriously. ODHS investigates client and provider fraud related to Medicaid, Oregon Health Plan, food benefits (SNAP), cash assistance (TANF), EBT cards or childcare benefits. OHA, through the Office of Program Integrity (OPI), has a robust analytic platform that identifies potential fraud, waste and abuse behavior by providers in the OHP program. All fraud referrals that come in to OPI are staffed by the OPI Certified Fraud Examiner and its research unit.

Healthier Oregon members are held to the same eligibility standards as all OHP members. Healthier Oregon is a part of the Oregon Health Plan and Oregon Health Authority (OHA) has no data that shows Healthier Oregon has a greater rate of fraud. Medicaid member fraud is generally classified as a “theft of services” and can be referred to local law enforcement for investigation and prosecution.

Client fraud includes:

- Medicaid/Oregon Health Plan programs and benefits;
- Food stamps;
- Temporary Assistance for Needy Families (TANF);
- Oregon Trail card, which is used for Electronic Benefits Transfer (EBT); and
- Childcare benefits.

Client fraud is fraud against the programs of the Oregon Department of Human Services (ODHS), including unlawful practices in obtaining cash assistance, medical assistance, and/or food assistance. It is the intentional misstatement or failure to reveal information affecting eligibility resulting in an overpayment.

The [Fraud Investigations Unit](#) investigates allegations such as the following:

- Unreported Employment: The client is suspected of not reporting employment.
- Unearned Income: The client is suspected of not reporting the receipt of recurring income not derived from employment.
- Unreported Assets: The client is suspected of not reporting assets that exceed program resource limits. Examples of assets that may count towards resource limits in some programs include: Real estate, vehicles, boats, motor homes, non-recurring monetary holdings, etc.
- Unreported Child Support: The client is suspected of receiving unreported child support payments.
- Unreported Marriage: The client is suspected of not reporting a marriage that may affect the grant amount.
- Absent Parent in Home: The client is suspected of not reporting the presence of an absent parent in the home. This includes stepparents.
- Child Out of Home: The client is suspected of applying for or receiving benefits for a child not present in the home.
- Household Composition: The client is suspected of receiving assistance for an ineligible dependent or has not accurately reported the correct number of persons living in the household.
- Address Verification: The client is suspected of not reporting their address information correctly.
- Duplicate Grants: The client is suspected of applying for or receiving grants under multiple names.
- False Identity: The client is suspected of submitting false identification to apply for or obtain a grant; or may be working under a false identity.
- Felony Drug Conviction/Warrant: The client is wanted on an outstanding felony warrant, which may make the client ineligible for benefits.
- Child Care Fraud: The client is suspected of improperly receiving childcare payments or reporting a false provider.
- EBT Fraud: The client is suspected of fraudulently using their Oregon Trail card or allowing their Oregon Trail card to be used by an unauthorized person.
- Other: The client is suspected of any other improper procedure not covered by the other categories.

Investigations focus on client eligibility issues and benefit fraud. Investigators coordinate with staff from ODHS field offices, county prosecutors and with local, state, federal and international law enforcement agencies when necessary.

Both community partners and workers can report if they believe fraud has been committed. Allegations of fraud can be reported by:

- Submitting a 284R fraud referral form to the Fraud Investigations Unit
- Email: dhs.fraud-investigations@odhsoha.oregon.gov
- The public can report allegations of fraud by:
 - Online: <https://www.oregon.gov/dhs/ABUSE/Pages/fraud-reporting.aspx>
 - By fax: ATTN: HOTLINE at 503-373-1525
 - By mail: for recipient fraud - Investigations Unit PO BOX 14150 Salem, OR 97309

Also, all OHP applicants must read the members' rights and responsibilities, which state: **Your responsibilities (what you must do): If you are in any DHS or OHA program, you must:**

- Give DHS and OHA true, correct, and complete information.
- Give proof of specific things you report. If you cannot get proof, you must let us contact other people or agencies for proof when we need to.

Question 2: I presume that the fees cover the current lab needs to bring our state into alignment with the federal recommend uniform screening panel conditions, but I would really like to ensure that we start covering broader newborn screenings for rare conditions to provide the best care for patients in our state while mitigating long-term coverage costs. What are the department's plans to ensure newborn screenings in the state keep up with new therapies that can drastically change the outcomes for babies born with rare diseases?

The science of Newborn Screening is rapidly evolving and there are many exciting opportunities to screen for disorders that will benefit the health of infants in Oregon.

The cost of screening a disorder is among the factors considered by the program and Advisory Board when evaluating their potential addition to the Oregon screening panel. Screening costs can vary widely; certain disorders could utilize some of the existing resources at the Public Health Laboratory while others may require completely new equipment, methods, training, and additional services like genetic counseling and follow-up.

Fees are typically the program's only source of revenue; when new disorders are added to the panel, the program would need to increase fees as soon as possible to cover the projected costs. This has become common practice in many other states as increasingly rare and complex disorders are being added to panels. Another option is general fund investment. For example, the program was provided with some general funds to implement Spinal Muscular Atrophy in the 21-23 biennium, and this disorder has now been added to the screening panel. However, depending on the disorder, a fee increase would still be necessary in many instances.

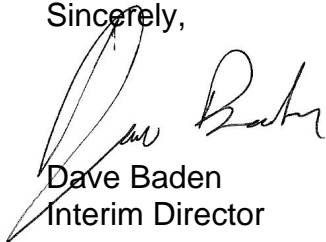
June 2, 2023

Page 4 of 4

The program is focused on improving the health of Oregon's children and is cognizant of the effect of fee increases on its many partners. The program works closely with these partners and the board whenever a fee increase is needed to allow new disorders to be detected.

Please do not hesitate to reach out if you have any further questions or clarifications.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Baden". The signature is written in a cursive style with a large, sweeping initial "D".

Dave Baden
Interim Director