

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**HRSA'S MONITORING DID NOT ALWAYS
ENSURE HEALTH CENTERS'
COMPLIANCE WITH FEDERAL
REQUIREMENTS FOR HRSA'S ACCESS
INCREASES IN MENTAL HEALTH AND
SUBSTANCE ABUSE SERVICES
SUPPLEMENTAL GRANT FUNDING**

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Amy J. Frontz
Deputy Inspector General
for Audit Services

July 2020
A-02-18-02010

Office of Inspector General

<https://oig.hhs.gov>

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OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

Report in Brief

Date: July 2020

Report No. A-02-18-02010

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



Why **OIG** Did This Audit

In 2017, HHS declared the opioid epidemic in the United States a public health emergency. The misuse of and addiction to opioids—including prescription pain relievers, heroin, and synthetic opioids such as fentanyl—is a serious national crisis that affects public health as well as social and economic welfare. In 2018 alone, there were more than 46,000 opioid-related overdose deaths in the United States. As part of its efforts to combat the opioid crisis, the Health Resources and Services Administration (HRSA) awarded \$200.5 million in Access Increases in Mental Health and Substance Abuse Services (AIMS) grants to health centers nation-wide. **OIG** audited HRSA's oversight of AIMS supplemental grant funding as part of our oversight on the integrity and proper stewardship of Federal funds used to combat the opioid crisis.

Our objective was to determine whether HRSA followed its policies and procedures for awarding and monitoring AIMS grants.

How **OIG** Did This Audit

HRSA awarded AIMS supplemental grant funds totaling \$200.5 million to 1,178 health centers for the period September 1, 2017, through August 31, 2018. From the 1,178 health centers, we selected a nonstatistical sample of 30 health centers to determine whether HRSA followed its policies and procedures for awarding and monitoring AIMS grants.

HRSA's Monitoring Did Not Always Ensure Health Centers' Compliance With Federal Requirements for HRSA's Access Increases In Mental Health and Substance Abuse Services Supplemental Grant Funding

What **OIG** Found

HRSA followed its policies and procedures for awarding AIMS grants but did not always follow its policies and procedures when monitoring health centers' compliance with supplemental funding requirements. Specifically, HRSA did not follow its policies and procedures when monitoring health centers' progress toward meeting AIMS grant award conditions related to ongoing and one-time funding and did not always respond timely to health centers' requests to carry over grant funds. HRSA officials stated that monitoring of health centers' progress toward meeting AIMS supplemental funding requirements is done in conjunction with its general monitoring of health centers through annual reviews. According to HRSA officials, HRSA did not always respond timely to health centers' requests to carry over grant funds because of other priorities, such as awarding other grants to health centers.

What **OIG** Recommends and HRSA Comments

We recommend that HRSA (1) assess health centers' progress toward meeting AIMS grant award conditions to increase personnel and patients' access to care and follow up with appropriate corrective action, such as providing technical assistance or discontinuing or reducing future AIMS grant funds; (2) review Budget Period Progress Reports to identify health centers that did not report progress toward meeting their health information technology or training goals; and (3) ensure that it follows its policy for timely responding to health centers' requests to carry over grant funds.

In written comments on our draft report, HRSA partially concurred with our findings and recommendations and described actions that it has taken or plans to take to address them. This includes reducing or discontinuing ongoing AIMS funding for certain health centers, developing electronic systems to collect interim progress reports (e.g., tri-annual reporting) to support more timely monitoring of AIMS funding, and monitoring its responsiveness to prior approval requests.

TABLE OF CONTENTS

INTRODUCTION.....	1
Why We Did This Audit.....	1
Objective.....	1
Background.....	1
Health Resources and Services Administration.....	1
Access Increases in Mental Health and Substance Abuse Services Grants.....	2
How We Conducted This Audit.....	3
FINDINGS.....	3
Awarding of Access Increases in Mental Health and Substance Abuse Services Grants.....	4
HRSA Followed Its Policies and Procedures for Awarding Grant Funds.....	4
Monitoring of Access Increases in Mental Health and Substance Abuse Services Grants... 4	
HRSA Did Not Follow Its Policies and Procedures When Monitoring Health Centers’ Progress Toward Meeting Grant Award Conditions Related to Ongoing Funding.....	4
HRSA Did Not Follow Its Policies and Procedures When Monitoring Health Centers’ Progress Toward Meeting Grant Award Conditions Related to Funding for Health Information Technology and Training.....	6
HRSA Did Not Always Respond Timely to Health Centers’ Requests To Carry Over Grant Funds.....	7
RECOMMENDATIONS.....	7
HRSA COMMENTS.....	8
APPENDICES	
A: Audit Scope and Methodology.....	9
B: HRSA Comments.....	11

INTRODUCTION

WHY WE DID THIS AUDIT

In 2017, the Department of Health and Human Services (HHS) declared the opioid epidemic in the United States a public health emergency. The misuse of and addiction to opioids—including prescription pain relievers, heroin, and synthetic opioids such as fentanyl—is a serious national crisis that affects public health as well as social and economic welfare. In 2018 alone, there were more than 46,000 opioid-related overdose deaths in the United States. As part of its efforts to combat the opioid crisis, the Health Resources and Services Administration (HRSA) awarded \$200.5 million in Access Increases in Mental Health and Substance Abuse Services (AIMS) grants to health centers nation-wide.^{1, 2} The Office of Inspector General audited HRSA’s oversight of AIMS grant funding as part of our oversight on the integrity and proper stewardship of Federal funds used to combat the opioid crisis.³

OBJECTIVE

Our objective was to determine whether HRSA followed its policies and procedures for awarding and monitoring AIMS grants.

BACKGROUND

Health Resources and Services Administration

HRSA is the primary Federal agency for improving health care of people who are geographically isolated or economically or medically vulnerable. HRSA’s mission is to improve health outcomes and address health disparities through access to quality services; a skilled health workforce; and innovative, high-value programs.

To accomplish its mission, HRSA, in part, funds health centers through its Health Center Program to meet the Nation’s most pressing health care needs, as well as emerging health priorities. Health centers are among the first line of care in combating the Nation’s opioid crisis. In 2018, health centers screened and identified nearly 1.1 million people with substance

¹ We note that the *Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5)* no longer uses the term “substance abuse” and “substance dependence.” Rather, it refers to “substance use disorders.”

² Health centers are community-based public and private nonprofit health care organizations that deliver care to the Nation’s most vulnerable individuals and families. Health centers that were receiving Health Center Program operational grant funding under section 330 of the Public Health Service Act (42 U.S.C. § 254b) were eligible for AIMS supplemental grant funding.

³ In a separate audit, we plan to review health centers that received AIMS grant funds for compliance with Federal requirements.

use disorder (SUD)⁴ and provided medication-assisted treatment to nearly 95,000 patients nation-wide, an increase of 143 percent since 2017. Overall, 93 percent of health centers provided mental health counseling and treatment, and 67 percent of health centers provided SUD services.

HRSA follows the HHS *Grants Policy and Administration Manual (GPAM)*, which implements HHS regulations and establishes HHS policies for the administration of grants. The GPAM provides all HHS grants-awarding agencies with a uniform set of minimum policy requirements that HHS staff must follow throughout the grants' life cycle. The GPAM also serves as the basis for monitoring and evaluating grant-management activities.

Access Increases in Mental Health and Substance Abuse Services Grants

In September 2017, HRSA awarded \$200.5 million in AIMS supplemental grant funding to 1,178 health centers nation-wide. The grants were intended to expand access to mental health and SUD services, focusing on the treatment, prevention, and awareness of opioid use disorder (OUD) for health centers already funded under HRSA's Health Center Program.⁵ Health centers were awarded the AIMS supplemental funds to increase personnel, strengthen health information technology (IT), and train personnel to support the expansion of mental health and SUD services. Specifically, health centers received up to \$85,200 in ongoing funds⁶ to support the expansion of services related to mental health and SUD services and up to \$90,501 in one-time funds for health IT and training investments, for total awards up to \$175,701.

As a condition of receiving grant funding, health centers were required to expand access to mental health and SUD services by increasing personnel and existing or new patients and to report on these increases in their calendar year (CY) 2018 Uniform Data System (UDS) reports⁷ to HRSA. In their applications for grant funding, health centers proposed personnel and patient increases and health IT and training investments. One-time funds for health IT and training were to be used over 12 months (September 2017 through August 2018). In addition to the UDS reports, health centers were required to report their progress toward implementing their

⁴ According to the Substance Abuse and Mental Health Services Administration, individuals with alcohol or illicit drug dependence or abuse are defined as having SUD.

⁵ FY 2017 AIMS Supplemental Funding Announcement.

⁶ Specifically, the health centers were awarded up to \$42,600 for the expansion of mental health services and up to \$42,600 for the expansion of SUD services. Nearly all health centers qualified for both award types.

⁷ The UDS is a standard data set that is reported annually and provides consistent information about health centers. This information includes patient demographics, services provided, clinical processes and results, patients' use of services, costs, and revenues that document how health centers perform. The deadline for health centers to submit 2018 UDS reports was February 15, 2019.

AIMS proposed personnel and patient increases and health IT and training proposals in their annual Budget Period Progress Reports (BPRs)⁸ to HRSA.

Together, the 2018 UDS reports and BPRs were expected to provide HRSA with the information needed to assess the extent to which health centers had achieved their AIMS proposals. In cases where the health centers were not able to fully expend their awarded amount, they were allowed to carry over a portion of AIMS grant funds to use in their upcoming budget period by submitting a request for prior approval to HRSA. The GPAM required HRSA to respond to these requests within 30 calendar days.

HOW WE CONDUCTED THIS AUDIT

HRSA awarded AIMS supplemental grant funds totaling \$200.5 million to 1,178 health centers for the period September 1, 2017, through August 31, 2018. From the 1,178 health centers, we selected a nonstatistical sample of 30 health centers to determine whether HRSA followed its policies and procedures for awarding and monitoring AIMS grants. When selecting the health centers, we considered factors such as size (i.e., mix of small, medium, and large, based on total HRSA funding), A-133 single audit report findings, those considered high-risk by HRSA,⁹ and location. As part of our audit, we reviewed the health centers' grant applications, UDS reports, and BPRs.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Appendix contains the details of our audit scope and methodology.

FINDINGS

HRSA followed its policies and procedures for awarding AIMS grants but did not always follow its policies and procedures when monitoring health centers' compliance with supplemental funding requirements. Specifically, HRSA did not follow its policies and procedures when monitoring health centers' progress toward meeting AIMS grant award conditions related to ongoing and one-time funding and did not always respond timely to health centers' requests to carry over grant funds. HRSA officials stated that monitoring of health centers' progress toward meeting AIMS supplemental funding requirements is done in conjunction with its general monitoring of health centers through annual reviews. According to HRSA officials, HRSA did not

⁸ Deadlines for health centers to submit their FY 2018 BPRs ranged from August 2017 through January 2018 and were based on their budget period start date.

⁹ HRSA assigns its high-risk designation to grant recipients and applicants (including health centers) based on known financial risk factors (e.g., A-133 single audit reports issued with an adverse or disclaimer of opinion).

always respond timely to health centers' requests to carry over grant funds because of other priorities, such as awarding other grants to health centers.

AWARDING OF ACCESS INCREASES IN MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES GRANTS

HRSA Followed Its Policies and Procedures for Awarding Grant Funds

In its fiscal year (FY) 2017 AIMS supplemental funding opportunity announcement, HRSA stated that it would conduct internal reviews of applications for completeness, eligibility, and ineligible costs. In addition, the GPAM states that HRSA must establish procedures to identify and mitigate risks posed by potential recipients prior to funding awards. Further, the GPAM states that awarding agencies must conduct a pre-award evaluation of applicants; determine whether applicants pose risks; and, if necessary, apply award conditions and impose additional performance requirements to mitigate and monitor risk.

We found that HRSA reviewed health centers' grant applications for completeness and determined whether the health centers were eligible to receive AIMS grant funds. As part of its review process, HRSA evaluated health centers' applications to identify potential risks, including assessments of the health centers' finances. When necessary, HRSA applied conditions to health centers' grant awards to mitigate and monitor risk.

MONITORING OF ACCESS INCREASES IN MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES GRANTS

HRSA Did Not Follow Its Policies and Procedures When Monitoring Health Centers' Progress Toward Meeting Grant Award Conditions Related to Ongoing Funding

The GPAM states that sound post-award management of Federal grant awards is critical to ensuring compliance with applicable award requirements and to confirming that performance expectations are being achieved. Also, HRSA's *Federal Award Oversight Manual for Project Officers* states that HRSA must proactively monitor health center performance to ensure proper stewardship of Federal funds and support achievement of statutory goals and objectives. According to HRSA officials, proactive monitoring involves timely reviews of each health center's UDS reports and BPRs to determine its progress toward meeting AIMS supplemental funding requirements.

As noted in its FY 2017 AIMS supplemental funding opportunity announcement, HRSA required health centers to expand direct hire staff or contractor(s) who will support mental health service expansion, and SUD expansion focusing on the treatment, prevention, and awareness of OUD, within 120 days of award. Also, HRSA required health centers to increase the number of mental health patients or SUD patients receiving care as a result of AIMS funding by December 31, 2018.

HRSA officials stated that monitoring of health centers' progress toward meeting AIMS supplemental funding requirements is done in conjunction with its general monitoring of health centers through annual reviews. According to the officials, if they identify health centers with inadequate progress toward increasing their number of patients receiving mental health or SUD services, they will request additional information, including (1) an explanation for the lack of progress; (2) needed technical assistance; and (3) a corrective action plan, as appropriate. However, as of November 2019—more than 2 years after it awarded the AIMS grants—HRSA was still in the process of assessing health centers' progress toward meeting AIMS supplemental funding requirements to increase personnel and patient access by the end of CY 2018. Specifically, HRSA did not complete its reviews of the 2018 UDS reports and BPRs to identify health centers that had not demonstrated adequate progress in increasing the number of personnel and patients receiving mental health or SUD services.

The health centers' UDS reports and BPRs, combined, contained sufficient information needed to assess whether health centers met AIMS grant award conditions. Of the 30 health centers' 2017 and 2018 UDS reports that we reviewed, 5 health centers reported decreases in the number of employees that provided mental health and SUD services,¹⁰ and 3 health centers reported decreases in the number of patients receiving these services¹¹ between the end of CY 2017 and the end of CY 2018.^{12, 13} While HRSA staff conducted the initial review of the information contained in the UDS reports for 2017 and 2018,¹⁴ they did not conduct the additional level of review of comparing the 2017 UDS reports to the 2018 UDS reports to identify health centers that reported decreases in personnel and patients. Without proactively conducting this level of review in its monitoring of health centers, HRSA could not identify health centers that were not meeting AIMS grant award conditions. Furthermore, HRSA could not provide health centers that did not meet the requirements of the AIMS grant with technical assistance for increasing access to mental health and substance abuse services.

After sharing our analysis at the conclusion of our fieldwork, HRSA officials informed us that they have begun reaching out to those health centers that did not fully explain their progress in

¹⁰ We determined employee counts by calculating full-time equivalent (FTE) staff allocated to mental health and SUD services, as reported by the health centers. The decreases in the number of FTEs ranged from 0.31 to 1.12.

¹¹ The decreases in number of patients receiving mental health or SUD services ranged from 457 to 871.

¹² Two health centers had both deficiencies.

¹³ Health centers were required to increase the number of patients accessing mental health and/or SUD services. We noted that 7 of the 30 health centers reported decreases in the number of clinical visits for mental health and SUD services between the end of CY 2017 and the end of CY 2018. The decreases in clinical visits ranged from 5 to 2,256.

¹⁴ UDS reports were reviewed by HRSA staff responsible for identifying and testing potential data issues and for following up with health centers and requesting changes as appropriate to finalize the UDS report. Following this initial review, HRSA conducted analysis to identify potential errors that may have a substantial, unexplained national impact or change.

the 2018 UDS data and that they will assess the information and follow up as appropriate, including future monitoring of progress against an approved corrective action plan, providing technical assistance, and discontinuing or reducing health centers' ongoing AIMS funding.

HRSA Did Not Follow Its Policies and Procedures When Monitoring Health Centers' Progress Toward Meeting Grant Award Conditions Related to Funding for Health Information Technology and Training

The GPAM states that sound post-award management of Federal grant awards is critical to ensuring compliance with applicable award requirements and confirming that performance expectations are being achieved. As noted in its FY 2017 AIMS supplemental funding opportunity announcement, health centers requesting one-time funding for health IT or training investments were required to submit a proposal for the use of these funds over 12 months (September 1, 2017, through August 31, 2018).

In narratives contained in their BPRs, health centers were required to provide progress on their health IT or training investments toward implementing their AIMS proposals. Further, health centers that submitted a BPR in FY 2019 were required to provide implementation updates regarding their one-time AIMS funding proposals.

HRSA reviewed BPRs but did not identify health centers that did not report progress toward meeting their proposed health IT or training goals. Of the 30 health centers that we reviewed, 15 should have reported their progress toward meeting their proposed health IT or training goals in their FY 2018 and FY 2019 BPRs.¹⁵ We found that 2 of these 15 health centers did not report their progress. Specifically, the two health centers did not report any health IT or training activities related to one-time funding in a section of the BPR designated for health centers to report these activities related to one-time funding (or in any other section of the BPR).¹⁶ Therefore, HRSA may have missed opportunities to assist these health centers with expanding access to mental health and substance abuse services by focusing on increasing investments in health IT or training.

HRSA did not identify health centers that did not report progress toward meeting their proposed health IT or training goals because it did not follow its policies and procedures when monitoring health centers' progress toward meeting grant award conditions related to one-time funding. Specifically, HRSA did not require health centers to send any additional information or supporting documentation with their BPRs to support their proposed use of one-time funding. Additionally, HRSA did not perform any specific reviews or checks of the health

¹⁵ Given that HRSA began awarding funds for health IT and training in September 2017, the earliest HRSA expected health centers to report progress toward meeting their proposed health IT or training goals was in their FY 2018 BPRs, which were due January 19, 2018. The remaining 15 health centers submitted their FY 2018 BPRs prior to January 19, 2018.

¹⁶ Under a column heading titled "Types of One-Time Funding Award," the BPR listed the FY 2017 AIMS grant and, under a separate column, listed examples of allowable activities under the grant.

centers' use of the AIMS one-time funding. Because HRSA did not proactively monitor health centers' progress, it did not identify health centers that were not meeting AIMS grant award conditions.

On November 20, 2019, HRSA officials stated that HRSA was in the process of assessing health centers' BPRs to evaluate health centers' progress toward meeting their expected health IT or training goals by August 31, 2018.

HRSA Did Not Always Respond Timely to Health Centers' Requests To Carry Over Grant Funds

The GPAM requires HHS grants awarding agencies to respond within 30 days to requests for prior approval to carry over grant funds. In addition, HRSA's *Federal Award Oversight Manual for Project Officers* states that reviews of prior approval requests are an essential part of post-award monitoring and risk management.¹⁷

HRSA did not always respond timely to health centers' requests to carry over grant funds. Of the 30 health centers that we reviewed, 27 requested prior approval to carry over AIMS grant funds to a subsequent grant period. While HRSA responded to 24 of the 27 requests for carryover of AIMS grant funds within the required 30 days, it did not timely respond to 3 health centers' requests. Specifically, HRSA's responses were delayed by 58, 104, and 110 days, respectively. HRSA stated that it did not respond timely to health centers' requests to carry over grant funds because it had other priorities, including awarding other grants to health centers. Post-award monitoring is an essential part of risk management, and HRSA's failure to timely respond to health centers' requests to carry over grant funds may lead to inefficiency and inconsistency in grant performance.¹⁸

RECOMMENDATIONS

We recommend that the Health Resources and Services Administration:

- assess health centers' progress toward meeting AIMS grant award conditions to increase personnel and patients' access to care and follow up with appropriate corrective action, such as providing technical assistance or discontinuing or reducing future AIMS grant funds;
- review BPRs to identify health centers that did not report progress toward meeting their health IT or training goals; and

¹⁷ The manual provides requirements that HRSA project officers must follow to comply with basic performance standards for effective program oversight.

¹⁸ For example, a health center may have delayed obligating funds for equipment until hearing back from HRSA regarding its request to carry over funds.

- ensure that it follows its policy for timely responding to health centers’ requests to carry over grant funds.

HRSA COMMENTS

In written comments on our draft report, HRSA partially concurred with our findings and recommendations and described actions that it has taken or plans to take to address them.

HRSA stated that it has completed its assessment of 2018 UDS reports, which helped identify why certain health centers did not increase the number of patients receiving mental health or SUD services. Based on its analysis of all AIMS awardees, HRSA found that 37 health centers were unable to demonstrate sufficient progress to merit continuing their AIMS awards. HRSA stated that it has taken action to reduce or discontinue the 37 health centers’ ongoing AIMS funding.¹⁹ Additionally, HRSA indicated that it has begun developing electronic systems to collect interim progress reports (e.g., tri-annual reporting) to support more timely monitoring of AIMS funding and help it to better contextualize use of one-time funds in support of broader programmatic activities. Finally, HRSA stated that it monitors its responsiveness to prior approval requests through monthly compliance reports. HRSA also provided technical comments on our draft report, which we addressed as appropriate. HRSA’s comments, excluding the technical comments, are included as Appendix B.

¹⁹ We note that, as of the issue date of this report, we have not received documentation from HRSA to support the reduction or discontinuance of the AIMS funding for these 37 health centers.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

HRSA awarded AIMS supplemental grant funds totaling \$200.5 million to 1,178 health centers for the period September 1, 2017, through August 31, 2018. From the 1,178 health centers, we selected a nonstatistical sample of 30 health centers to determine whether HRSA followed its policies and procedures for awarding and monitoring AIMS grants.²⁰

We did not review the overall internal control structure of HRSA. Rather, we reviewed only those internal controls related to our objective.

We conducted our audit from July 2018 through April 2020.

METHODOLOGY

To accomplish our objective, we:

- reviewed applicable Federal requirements;
- obtained and reviewed HRSA's policies and procedures for awarding AIMS grants and monitoring health centers;
- obtained a list of grant awards made to health centers;
- interviewed HRSA personnel to gain an understanding of HRSA's controls for awarding and monitoring AIMS grant funds;
- for our nonstatistical sample of 30 health centers:
 - obtained and reviewed supporting documentation, including the health center's grant application and HRSA notices of award, to determine whether HRSA adhered to its policies and procedures for awarding AIMS grants and
 - obtained and reviewed supporting documentation, including the health center's UDS reports and BPRs, to determine whether HRSA adhered to its policies and procedures for monitoring health centers;
- summarized the results of our audit; and

²⁰ When selecting health centers for review, we considered factors such as size (i.e., mix of small, medium, and large based on total HRSA funding), A-133 single audit report findings, those considered high-risk health centers by HRSA, and location.

- discussed the results of our audit with HRSA officials.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for any findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDIX B: HRSA COMMENTS



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Resources and Services
Administration

Rockville, MD 20857

TO: Amy J. Frontz
Deputy Inspector General for Audit Services

FROM: Administrator

DATE: June 18, 2020

SUBJECT: Office of Inspector General Draft Report titled, "HRSA's Monitoring Did Not Ensure Health Centers' Compliance With Federal Requirements for HRSA's Access Increases in Mental Health and Substance Abuse Services Supplemental Grant Funding" (A-02-18-02010)

Attached is the Health Resources and Services Administration's (HRSA) response to the Office of Inspector General draft report titled, "HRSA's Monitoring Did Not Ensure Health Centers' Compliance with Federal Requirements for HRSA's Access Increases in Mental Health and Substance Abuse Services Supplemental Grant Funding." If you have any questions, please contact Sandy Seaton in HRSA's Office of Federal Assistance Management at (301) 443-2432.

A handwritten signature in black ink that reads "Thomas J. Engels".

Thomas J. Engels

Attachments

**Health Resources and Services Administration’s Comments on the OIG Draft Report –
“HRSA’s Monitoring Did Not Ensure Health Centers’ Compliance With Federal
Requirements for HRSA’s Access Increases in Mental Health and Substance Abuse
Services Supplemental Grant Funding”
(A-02-18-02010):**

GENERAL COMMENTS

The Office of Inspector General’s (OIG) audit has provided valuable feedback to reinforce HRSA practices related to the awarding of federal funds and to inform areas where HRSA can further enhance the oversight of supplemental funding and more proactively support health centers in making progress on funded activities.

Overall, HRSA investments in health centers’ integration and expansion of substance use disorder (SUD) and mental health (MH) services into primary care settings have transformed the model of primary care delivery and have created access to essential services to the nation’s most vulnerable populations. Since 2016, HRSA investments in SUD-MH service expansion have resulted in:

- A 26 percent increase in the number of health center patients receiving MH services (from 1,788,577 to 2,249,876);
- A 27 percent increase in the number of MH visits at health centers (from 8,508,031 to 10,804,170);
- A 28 percent increase in the number of MH providers at health centers (from 9,191 to 11,769);
- A 53 percent increase in the number of health center patients receiving Screening, Brief Intervention, and Referral to Treatment services (from 717,677 to 1,099,001);
- A 188 percent increase in the number of providers with a DATA 2000 Waiver to treat Opioid Use Disorder (OUD) (from 1,700 to 4,897); and
- A 142 percent increase in the number of health center patients receiving medication-assisted treatment for OUD (from 39,075 to more than 94,528).

The HRSA FY 2017 Access Increases in Mental Health and Substance Abuse Services (AIMS) supplemental funding was the first investment in all health centers focused on the treatment, prevention, and awareness of opioid abuse. HRSA’s oversight of AIMS supplemental awards, conducted in addition to its extensive and robust oversight of health centers’ overall Health Center Program grant award, was conducted in alignment with the AIMS Notice of Funding Opportunity (NOFO) and the terms of the award. HRSA used annual Uniform Data System (UDS) reports and Budget Period Progress Reports (BPRs) to assess health centers’ progress toward implementation of AIMS funding, and this assessment informed decisions regarding continuation of AIMS funding in future years.

HRSA is committed to continuous improvement of its oversight of supplemental funding and appreciates this opportunity to further inform those improvements. Beginning in FY 2018,

HRSA implemented several changes in its assessment and support of health center's progress in implementing SUD-MH projects, including:

- 1) Developing electronic systems to collect interim progress reports to support more timely monitoring of implementation of SUD-MH funding. More specifically, HRSA implemented tri-annual reporting for FY 2018 Expanding Access to Quality SUD-MH awards and for FY 2019 Integrated Behavioral Health Services (IBHS) awards.
- 2) Investing in additional technical assistance (TA) resources to support health centers' success in implementing funding. More specifically, in 2019, HRSA established the HRSA Center of Excellence for Behavioral Health TA, a centralized training and TA center to support HRSA-funded grant recipients to integrate SUD and MH services in primary care settings and training and education of the workforce—including all health centers who received AIMS, SUD-MH or IBHS funding.

Building upon the experience with the changes above, in FY 2020, HRSA awarded supplemental funding using separate accounting codes to facilitate both health centers' and HRSA's ability to track drawdowns of supplemental funds.

HRSA's response to the OIG's draft recommendations are as follows:

OIG Recommendation #1:

OIG recommends that HRSA assess health centers' progress toward meeting AIMS grant award conditions to increase personnel and patients' access to care and follow up with appropriate corrective action, such as providing TA or discontinuing or reducing future AIMS grant funds.

HRSA Response:

HRSA partially concurs with the OIG's recommendation. HRSA acknowledges that 5 of the 30 health centers were not successful in implementation of their AIMS grant awards. However, 25 of the 30 health centers (83 percent) reviewed in the OIG's audit reported increases in the number of employees that provided MH and SUD services, and 27 of the 30 health centers (90 percent) reported increases in the number of patients receiving SUD services between the end of CYs 2017 and 2018.

As noted in the draft report, HRSA monitored AIMS grants consistent with the NOFO and terms of award, using both the 2018 UDS reports and BPRs to assess health centers' progress toward implementation of the AIMS funding.

In addition, since the conclusion of the OIG audit, HRSA has completed its assessment of the 2018 UDS, and health centers that did not increase the number of SUD and/or MH patients were required to provide HRSA with narrative information to describe progress that may not have been fully explained by 2018 UDS data. As part of this narrative, health centers described challenges they faced increasing the number of patients receiving SUD and/or MH services and provided a revised work plan and timeline, with details regarding how proposed activities would

result in increases in SUD and/or MH patients. HRSA also asked the health centers to indicate any areas where TA would be helpful.

Based on HRSA's analysis of all AIMS awardees, HRSA found that 37 health centers were unable to demonstrate sufficient progress to merit continuing their AIMS awards. HRSA has taken action to reduce or discontinue ongoing AIMS funding for the 37 health centers noted above, which will occur in June.

OIG Recommendation #2:

OIG recommends that HRSA review BPRs to identify health centers that did not report progress toward meeting their health information technology (HIT) or training goals.

HRSA Response:

HRSA partially concurs with the OIG's recommendation. HRSA acknowledges that 2 of the 30 health centers did not report progress towards meeting their HIT or training goals. However, HRSA monitored one-time funding, the intent of which was to complement and support the expansion of SUD-MH services, in BPRs for 93 percent (28 of the 30) of the health centers the OIG reviewed during the audit. HRSA anticipates that interim progress reports that track key funding requirements will help it to better contextualize use of one-time funds in support of broader programmatic activities.

OIG Recommendation #3:

OIG recommends that HRSA ensure that it follows its policy for timely responding to health centers' requests to carry over grant funds.

HRSA Response:

HRSA partially concurs with the OIG's finding that HRSA did not respond timely to health center's requests to carry over grant funds. HRSA responded timely to 90 percent of the sampled (27 of the 30) health center requests to carry over funding. HRSA is fully committed to ensuring timely response to health centers' requests to carry over grant funds, consistent with its obligations to ensure compliance with all applicable legislative and agency requirements.

HRSA currently monitors its responsiveness to prior approval requests through monthly compliance reports. Timely responsiveness to prior approval requests is also a component of grants management employee performance evaluations.

HRSA will continue to monitor compliance in these areas and address any noted deficiencies to ensure more timely responsiveness.