

DEPARTMENT OF JUSTICE | OFFICE OF THE INSPECTOR GENERAL

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DOJ OIG Releases Management Advisory Memorandum of Concerns Regarding Potential Overpayment by the Federal Bureau of Prisons for Inmate Health Care Services

Department of Justice (DOJ) Inspector General Michael E. Horowitz announced today the release of a Management Advisory Memorandum to the Director of the Federal Bureau of Prisons (BOP) regarding potential overpayment by the BOP for inmate health care services.

Through data analytics and recent OIG investigative activity, the DOJ Office of the Inspector General (OIG) learned that at least one prime Comprehensive Medical Services Contractor sometimes selected and submitted to the BOP medical service billing codes on behalf of its subcontracted providers of medical services, instead of having the providers select such codes themselves. This approach is inconsistent with the approach typically used in traditional medical practices. The OIG's investigation into this issue revealed that when this Comprehensive Medical Services Contractor selected the codes for its subcontracted healthcare providers, in almost every instance the selected code represented the highest level, or costliest, in the applicable series. By contrast, when the subcontractor healthcare provider selected the code, in the overwhelming number of cases, the subcontractor did not select the highest level in the applicable series. We concluded that this resulted in the BOP potentially overpaying for medical services provided to inmates.

The DOJ OIG made one recommendation to the BOP to address the concerns we identified. The BOP agreed with the recommendation.

Memorandum: Today's memorandum is available on our website at the following link: https://oig.justice.gov/reports/management-advisory-memorandum-notification-concerns-regarding-potential-overpayment

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