



DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF INSPECTOR GENERAL

WASHINGTON, DC 20201



JUL 31 2019

The Honorable Charles E. Grassley
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Marco Rubio
United States Senate
Washington, DC 20510

Dear Chairman Grassley and Senator Rubio:

I am writing to follow up on discussions we had with your staff on June 25, 2019, regarding your letter dated June 10, 2019, requesting that the Department of Health and Human Services (HHS) Office of Inspector General (OIG) examine whether the Centers for Medicare & Medicaid Services (CMS) has made payments for genetic testing to U.S. entities that have partnerships with companies linked to the Chinese government. You also asked that we review whether CMS considers national security risks when determining whether payments to providers are permissible. In addition, you asked that we recommend to CMS and Congress ways to mitigate national security risks related to Americans' genomic data with respect to CMS payments.

OIG shares your concerns about potential national security risks related to departmental programs. Pursuant to the authorities granted under the Inspector General Act of 1978 (5 U.S.C. App.), OIG audits, evaluates, and investigates HHS programs, including CMS, to protect the programs against fraud, waste, and abuse, whether committed by HHS employees or by recipients of HHS funds. OIG also reviews the operation of HHS programs to identify ways to improve their economy and efficiency. These oversight activities are designed to protect program dollars and program beneficiaries. Under the Inspector General Act, OIG regularly conducts audits to assess whether HHS has implemented adequate controls to protect program and beneficiary data.

In response to your request, we are planning a review of CMS controls to determine whether CMS has developed a risk-based approach that considers national security risks when certifying laboratories that conduct genomic testing. Based on our findings, we would make recommendations as appropriate.

Based on available resources, we anticipate starting this work in late fall. We will keep you and

your staff apprised of the status of our review. If you have any questions, please do not hesitate to contact me, or your staff may contact Christopher Seagle, Director of Congressional Affairs, at (202) 260-7006 or Christopher.Seagle@oig.hhs.gov.

Sincerely,


Joanne M. Chiedi
Acting Inspector General