

**FY27-29**

# **State of Illinois**

Department of Healthcare and Family Services  
Office of Inspector General

# **STRATEGIC PLAN**



**JB PRITZKER, GOVERNOR**

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**Department of Healthcare and Family Services**

**Office of Inspector General**

**Fiscal Year 2027-2029 Strategic Plan**



## MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present the Fiscal Year (FY) 2027 – 2029 Strategic Plan for the Office of Inspector General for the Illinois Department of Healthcare and Family Services (HFS OIG).

HFS OIG's inaugural strategic plan is the latest development in our years-long endeavor to align our focus and operations on the highest impact work within our jurisdiction. Now, after a comprehensive process incorporating input from across HFS OIG, we are committing ourselves for the next three years to the four strategic priorities, thirteen goals, and sixty-two projects detailed in this report.

The scope and scale of this effort is only possible because it seamlessly threads through our current mission, objectives, and values. Pursuant to [305 ILCS 5/12-13.1](#), HFS OIG's mandate is to prevent, detect, and eliminate fraud, waste, abuse, mismanagement, and misconduct in Illinois' Medicaid program, childcare assistance program, and other benefit programs. From multi-million-dollar laboratory fraud schemes to home health time fraud, from developing trends in new treatment models like Adaptive Behavioral Analysis to high-risk provider types that have been around for decades, HFS OIG employs every tool available to protect these programs and ensure that public funds are appropriately spent on delivering vital services. This plan and its associated projects will help us meet that mission in as effective and efficient a manner possible.

In addition, this strategic plan highlights a significant HFS OIG value – accountability. The outcomes of our work, whether criminal indictments and convictions or administrative sanctions, seek to hold individuals and businesses accountable for illegal, improper, or non-compliant activity. We also understand that offices like ours need to review and evaluate our own operations and outcomes to determine how we can improve. By publishing this report, complete with deliverables and timelines, HFS OIG seeks to hold ourselves accountable as we pursue our strategic priorities.

While the targets of our work will continue to evolve over the next three years, HFS OIG's commitment to our mission will remain constant. This inaugural strategic plan serves as an essential reminder of that commitment.

Respectfully,

*Brian J. Dunn*

Brian J. Dunn, Inspector General

## IMPORTANT LINKS

**Website** – <https://hfs.illinois.gov/oig/welcome.html>

**HFS OIG Annual Reports** – <https://hfs.illinois.gov/oig/annualreports.html>

**Complaint Portals** – <https://hfs.illinois.gov/oig/reportfraud.html>

**Exclusion List** – <https://ilhfspartner3.dynamics365portals.us/sanctions/>

**Report Fraud** – <https://hfs.illinois.gov/oig/reportfraud.html>

**Report HFS Employee Misconduct** – <https://hfs.illinois.gov/oig/reportmisconduct.html>

Follow HFS OIG on social media:   

## HFS OIG MISSION AND AUTHORITY

The mission of the HFS OIG is to prevent, detect, and eliminate fraud, waste, abuse, mismanagement, and misconduct in the Illinois Medicaid program and other government programs.

Under HFS OIG's enabling statute, 305 ILCS 5/12-13.1 et seq., HFS OIG is charged with oversight of the programs of the Illinois Department of Healthcare and Family Services, including the Illinois Medicaid program; the Illinois Department on Aging; and certain programs of the Illinois Department of Human Services and Illinois Department of Early Childhood, as established by agreement.

HFS OIG is empowered to:

- Investigate misconduct by employees, vendors, contractors, and medical providers.
- Perform prepayment and post-payment audits on Medicaid providers.
- Monitor quality assurance programs.
- Measure quality control of programs.
- Investigate fraud or intentional program violations.
- Initiate actions against contractors, vendors, or medical providers for program or contract violations; issue sanctions such as terminations or suspensions against providers; pursue overpayments; and recover assessments against hospitals and long-term care facilities.

## PLAN DEVELOPMENT PROCESS

HFS OIG used a decentralized approach to plan, develop, and publish this strategic plan. HFS OIG Bureau leadership, managers, and staff were directly involved throughout the process. The effort was led by our Chief Operations Officer, Kelly Waldhoff, with the direct involvement of Inspector General Brian Dunn and Chief of Staff Matthew Langer.

The process began with the creation of Bureau worksheets designed to capture a clear picture of current Bureau operations and identify strategic goals Bureau staff and leadership had for their functional areas. The worksheets covered five topics: current and desired future states, Strengths/Weaknesses/Opportunities/Threats (SWOT) analysis, continuous improvements, people and organization, and goal development.

A kickoff meeting and several working sessions followed to further refine the worksheets. Bureau chiefs were instructed to collaborate with their managers and staff to develop thoughtful and practical responses, ensuring the strategic plan would be both realistic and effective. After these sessions, leadership held a series of consultations to address questions and refine Bureau goals.

The completed worksheets were then reviewed and consolidated into a single document. This review process focused on identifying common themes, trends, goals, and objectives across all

Bureaus. Leadership used these findings to create shared strategic priorities and goals aligned with HFS OIG’s overall vision. The draft plan was then distributed to the senior leadership team for review before being finalized. The following graphic shows the stages and cyclical nature of strategic planning.

## Strategic Planning Process

The five cyclic phases of strategic planning



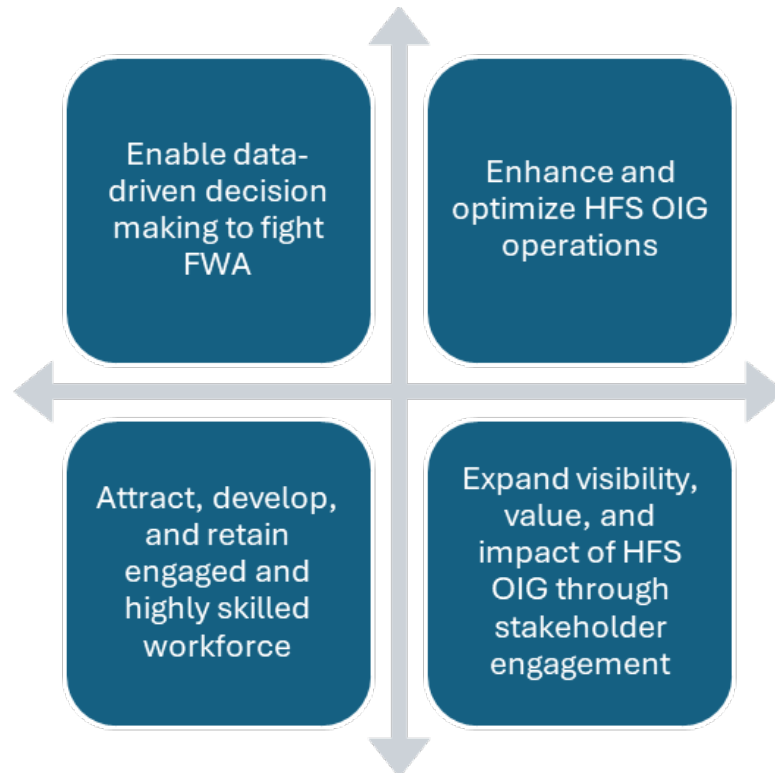
Each year, HFS OIG leadership will assess the projects in the strategic plan and adjust the FY 2027-2029 strategic plan as new priorities emerge. In FY 2029, HFS OIG will undertake a larger strategic planning process to create its next three-year strategic plan for FY 2030-2032.

## PLAN IMPLEMENTATION

This strategic plan will be implemented through a phased approach that ensures accountability and adaptability. Each overarching priority and goal is translated into clearly defined projects led by designated units across HFS OIG. Implementation will occur over a three-year cycle, beginning in FY 2027, with an annual calibration to incorporate emerging needs and operational realities. This renewable structure will ensure the plan remains active, agile, and aligned with organizational priorities over time.

A structured review cycle will guide how the plan is carried out and assessed. Progress will be monitored through monthly and quarterly reviews, supported by documented evidence of completion. Project owners will provide regular updates that will be logged in a strategic plan tracker, leadership will participate in quarterly progress reviews, and an annual analysis will be conducted to adjust priorities and timelines as needed. Progress on strategic plan projects, goals, and priorities will be communicated on a regular basis to HFS OIG staff internally and to external stakeholders on an annual basis in the HFS OIG Annual Report.

## STRATEGIC PRIORITIES: FY 2027 - 2029



# STRATEGIC PRIORITIES & GOALS

## **PRIORITY 1: ENABLE DATA-DRIVEN DECISION MAKING TO MAXIMIZE HFS OIG'S ABILITY TO PREVENT, DETECT, AND REMEDY FRAUD, WASTE, AND ABUSE**

*Goal 1: Institute data-driven, risk-based work planning*

*Goal 2: Empower HFS OIG supervisors and staff with data to manage workflows and identify operational or programmatic fraud, waste, and abuse issues*

*Goal 3: Ensure transparency, consistency, stability, and quality in use of data across the organization*

## **PRIORITY 2: ENHANCE EFFICIENCY, EFFECTIVENESS, AND QUALITY OF HFS OIG OPERATIONS BY OPTIMIZING PROCESSES AND FOSTERING A CULTURE OF CONTINUOUS IMPROVEMENT**

*Goal 1: Improve efficiency of HFS OIG work units and optimize operations to align with HFS OIG mission*

*Goal 2: Improve quality, timeliness, and relevance of HFS OIG work*

*Goal 3: Establish standard planning and operational policies and procedures*

*Goal 4: Attain Peer Review certification from the Association of Inspectors General (AIG)*

*Goal 5: Establish a new Bureau of Program Evaluation to perform program evaluations and make recommendations for improvement in HFS programs and policies*

## **PRIORITY 3: STRENGTHEN OUR STAFF BY ATTRACTING, DEVELOPING, AND RETAINING AN ENGAGED AND HIGHLY SKILLED WORKFORCE**

*Goal 1: Build and maintain a well-trained and highly skilled HFS OIG team through opportunities for career and leadership advancement, professional development, and strategic training*

*Goal 2: Enhance HFS OIG performance through strategic position assessment and effective implementation of goals, objectives, and feedback for all staff*

*Goal 3: Create and sustain a workplace culture that fosters staff engagement, recognition, and innovation*

## **PRIORITY 4: EXPAND VISIBILITY, VALUE, AND IMPACT OF HFS OIG THROUGH DELIBERATE, OPTIMIZED COMMUNICATION, AND DEEPER ENGAGEMENT WITH STAKEHOLDERS**

*Goal 1: Build and maintain an external communications program with key stakeholders that is compelling and informative to enhance trust, awareness, and cooperation*

*Goal 2: Develop internal communications that promote transparency, connect our team, and showcase our staff and accomplishments*

# STRATEGIC PLAN PROJECT DETAIL

## PRIORITY 1: ENABLE DATA-DRIVEN DECISION MAKING TO MAXIMIZE HFS OIG'S ABILITY TO PREVENT, DETECT, AND REMEDY FRAUD, WASTE, AND ABUSE

*Goal 1: Institute data-driven, risk-based work planning*

Project	Expected FY Completion
Develop proprietary risk scores to identify Medicaid providers exhibiting billing patterns highly correlated with fraud, waste, and abuse who may be appropriate for potential audit or investigation by HFS OIG.	2027
Establish and expand data-driven audits for services at high risk of fraud, waste, and abuse.	2027
Establish data exchange and operationalize use of incoming provider leads from HFS's actuary for managed care rate setting.	2027
Partner with HFS and the Illinois Department of Innovation & Technology on AI Advisory Council to map and test use of AI to enhance HFS OIG program integrity data analytics.	2028

*Goal 2: Empower HFS OIG supervisors and staff with data to manage workflows and identify operational or programmatic fraud, waste, and abuse issues*

Project	Expected FY Completion
Create a user guide, embedded tutorials, and new employee training resources for HFS OIG's analytic system.	2027
Enhance HFS OIG's case management system to align with Bureau management information needs.	2028
Develop management dashboards to support data-driven decision making across organization leadership.	Pilot: 2027 Additional: 2028
Refresh analytic reports and user profiles for each Bureau in collaboration with Bureau end users to maximize utility of HFS OIG's analytic system.	2027
Develop external data research inquiry guide to support investigations case research.	2027

*Goal 3: Ensure transparency, consistency, stability, and quality in use of data across the organization*

<b>Project</b>	<b>Expected FY Completion</b>
Establish organization-wide data collection and analysis quality control standards aligned with standards set by the AIG Green Book.	2027
Establish standard engagement policies and agile principles for analytic tool development that promote clarity and efficiency in IT development projects and incorporate internal customer engagement and feedback.	2027
Migrate internal case management system and secure resources to maintain and support future development and integration with other key data analytic systems.	2027
Establish IT project tracker and project clearance process to identify, prioritize, and communicate about ongoing and new investments in IT projects.	2027
Establish a subject matter expert in each work unit for key internal data systems who can train their colleagues and serve as a resource for these essential systems.	2027

**PRIORITY 2: ENHANCE EFFICIENCY, EFFECTIVENESS, AND QUALITY OF HFS OIG OPERATIONS BY OPTIMIZING PROCESSES AND FOSTERING A CULTURE OF CONTINUOUS IMPROVEMENT**

*Goal 1: Improve efficiency of HFS OIG work units and optimize operations to align with HFS OIG mission*

<b>Project</b>	<b>Expected FY Completion</b>
Establish electronic payments from providers and recipients rather than receiving checks or withholds.	2028
Establish new processes to report federal financial participation to HFS Federal Finance for certain audit work.	2028
Collaborate with HFS to improve efficiency of the collections process for bad debt.	2027
Assess new provider verification monitoring and adjust to best meet HFS OIG mission.	2028
Assess Peer Review Unit processes and adjust to best meet HFS OIG mission.	2028
Assess Provider and Recipient Assessment Section’s consultation role and associated request form and adjust to meet operational needs in investigations.	2028

*Goal 2: Improve quality, timeliness, and relevance of HFS OIG work*

<b>Project</b>	<b>Expected FY Completion</b>
Establish new Quality Assurance function to lead periodic internal reviews to ensure adherence to HFS OIG Operations Manual policies, procedures, and AIG Green Book Standards.	2028
Improve Audit Unit quality through a review of the statistical process, audit sampling, and legal support to ensure consistency and accuracy in the application of HFS rules and regulations.	2028
Improve HFS OIG’s internal administration of the external Recovery Audit Contractor and identify ways to strategically expand its impact and recoveries.	2027
Assess HFS OIG management of federal Unified Program Integrity Contractor matters and, where needed, revise and establish workflows, create standard operating procedures, and ensure cross training and staffing backups.	2027
Reduce time from opening an investigation to completing an investigation by analyzing current timeframes, identifying new goals, and assessing needed process changes to gain efficiency in process.	2027

*Goal 3: Establish standard planning and operational policies and procedures*

<b>Project</b>	<b>Expected FY Completion</b>
Create HFS OIG operations manual.	2027
Create & refine model reports and resources for investigations (e.g., refine Investigative Plans, create exemplar library for reports).	2027
Establish annual priority plan for Medicaid managed care oversight projects.	2027

*Goal 4: Attain Peer Review certification from the AIG*

<b>Project</b>	<b>Expected FY Completion</b>
Assess overall HFS OIG operations and determine any gaps in adherence to AIG Green Book Standards, create action plans to fill identified operational or policy gaps, and update policies and practices.	2027
Assess audit function for adherence to AIG Green Book Standards and Yellow Book Standards, identify gaps, and update policies and practices.	2027
Assess investigation function for adherence to AIG Green Book Standards, identify gaps, and update policies and practices.	2027
Undergo a 1-year Limited Peer Review with the AIG and identify recommendations for improvement to ensure adherence to AIG Green Book Standards.	2029

*Goal 5: Establish a new Bureau of Program Evaluation to perform program evaluations and make recommendations for improvement in HFS programs and policies*

<b>Project</b>	<b>Expected FY Completion</b>
Establish unit in organizational structure and ensure sufficient staffing.	2027
Establish evaluation operations manual, policies, and procedures in compliance with AIG Green Book Standards for evaluation reviews.	2027
Create annual evaluation work plan.	2028
Establish mechanism to track HFS OIG recommendations to HFS about strengthening program integrity in HFS programs.	2027

**PRIORITY 3: STRENGTHEN OUR STAFF BY ATTRACTING, DEVELOPING, AND RETAINING AN ENGAGED AND HIGHLY SKILLED WORKFORCE**

*Goal 1: Build and maintain a well-trained and highly skilled HFS OIG team through opportunities for career and leadership advancement, professional development, and strategic training*

<b>Project</b>	<b>Expected FY Completion</b>
Using prior calendar year as baseline, increase percentage of HFS OIG staff with AIG certification by 25% in CY 2026 and then by an additional 40% in CY 2027.	2028
Establish process to ensure all staff engaged in investigations, inspections, evaluations, reviews, and audits complete 40 hours of continuing education every two years.	2027
Establish and implement a centralized training calendar and a system to track certifications, continuing education credits, training, and conference requests.	2027
Identify and implement impactful leadership and management training for all managers and supervisors, including leadership retreat.	2027
Build relationships with local colleges and universities via on campus events and enhanced internship opportunities.	2027

*Goal 2: Enhance HFS OIG performance through strategic position assessment and effective implementation of goals, objectives, and feedback for all staff*

<b>Project</b>	<b>Expected FY Completion</b>
Create a plan to regularly assess staff resources and needs, position-filling prioritization, and organizational structure to ensure sufficient resources to achieve Bureau and organizational goals.	2027
Establish measurable quantitative and qualitative performance objectives and then manage workflow and track progress on those goals; build these into all staff evaluations and ensure that evaluations are completed timely.	2027-2029
Enhance HFS OIG New Employee Orientation.	2027
Create and implement easy-to-use HFS OIG onboarding and offboarding checklists for all Bureaus.	2027

*Goal 3: Create and sustain a workplace culture that fosters staff engagement, recognition, and innovation*

<b>Project</b>	<b>Expected FY Completion</b>
Establish annual opportunities for meaningful team social gatherings and virtual opportunities.	2027
Establish process to regularly celebrate milestone anniversaries.	2027
Establish process to promote staff and organizational success internally and externally.	2027

#### **PRIORITY 4: EXPAND VISIBILITY, VALUE, AND IMPACT OF HFS OIG THROUGH DELIBERATE, OPTIMIZED COMMUNICATION AND DEEPER ENGAGEMENT WITH STAKEHOLDERS**

*Goal 1: Build and maintain an external communications program with key stakeholders that is compelling and informative to enhance trust, awareness, and cooperation*

<b>Project</b>	<b>Expected FY Completion</b>
Enhance HFS OIG Annual Report through innovation, analysis of IG best practices, greater organization, improved efficiency, and focus on return on investment metrics.	2027
Build a library of external facing materials for use when engaging external stakeholders.	2027
Celebrate successful HFS OIG work and increase followers on social media.	2027
Modernize and update external HFS OIG website.	2027

Publish audit reports and processes to external HFS OIG website.	2027
In collaboration with HFS program staff, initiate regular communication process regarding program integrity updates to provider handbooks and regulation.	2027
Enhance partnership and coordination between HFS and the HFS OIG Quality Control Unit on federal Payment Error Rate Measurement audits.	2027
Create an online provider self-disclosure portal to facilitate more efficient and comprehensive provider reporting and HFS OIG audit follow up.	2028
Deepen engagement in multi-state forums to share and learn best practices.	2027
Establish calendar of presentation submission opportunities to highlight HFS OIG successes at local and national program integrity associations.	2027
Establish process and main point of contact to lead HFS OIG responses to and tracking of federal and state inquiries.	2027
Establish process and main point of contact to identify and manage HFS OIG comments and engagements on proposed legislation and rule amendments.	2027

*Goal 2: Develop internal communications that promote transparency, connect our team, and showcase our staff and accomplishments*

<b>Project</b>	<b>Expected FY Completion</b>
Assess and implement Bureau-specific communication improvements.	2027
Establish an annual process to identify and conduct training for staff on priority organizational policies and procedures.	2027