

DISTRICT OFFICE
101 SOUTHPOINTE
SUITE B
EDWARDSVILLE, ILLINOIS 62025
618-307-9200
618-307-9202 FAX

SPRINGFIELD OFFICE
230-N STRATTON BUILDING
SPRINGFIELD, ILLINOIS 62706
217-782-8018



DWIGHT KAY

STATE REPRESENTATIVE • 112TH DISTRICT

October 9, 2014

Representative Greg Harris
1967 W Montrose
Chicago, IL 60613

Dear Representative Greg Harris,

Since September 2013, my staff and I have spent numerous hours in research, investigation, travel, meetings and court proceedings looking into fiscal matters and gross irregularities in the Illinois Department of Healthcare & Family Services (HFS) and, by agency (legal) doctrine, the Illinois Department of Central Management Services. (CMS).

As a result there has been tremendous pushback in the form of denial (to me) of fiscally related documents, denial of wrongdoing, denial of misspending, obstruction and false representations by lobbyists, the Governor, his counsel and advisors and the executives and managers of HFS and CMS.

These adverse actions continue to manifest themselves through the actions of the Attorney General of Illinois. In fact, my counsel appeared on Monday in the Circuit Court of Sangamon County in a FOIA lawsuit I filed to obtain HFS documents. The Attorney General attempted to quash subpoenas I issued to 5 employees of HFS to authenticate HFS documents in open court.

I reached out to the U.S. Department of Health and Human Services (DHHS), the DHHS Office of Inspector General (OIG) and U.S. Congressman Shimkus. I shared documents that sparked a probe by the DHHS OIG and they uncovered HFS over-billing the federal government for false procedures resulting in \$750 million in fraud against the DHHS.

Additionally, I turned over documents to the DHHS OIG that showed the executives within HFS were fully aware that millions of dollars were being paid to deceased Medicaid recipients as far back as 2009.

I have made many attempts to get an audience with the HFS OIG, Governor's Office and Director Hamos. None have made an attempt to meet with me or discuss my findings. In fact, they have sent letters stating that they will stifle any request for information. Do the above detailed actions look like this administration is transparent and eager to fix the state's fiscal nightmare?

As members of the House and Appropriations-Human Services Committee we all have a three-fold duty/obligation. The first is contained in our oath of office to uphold the Constitution and the laws of the United States and the State of Illinois. The second is our constitutionally mandated oversight authority of the Illinois taxpayer's money as members of this committee, and generally as Members of the Illinois House of Representatives. The third is our duty to the citizens of our districts who elected us, and collectively to all the

citizens of Illinois to represent them and, in a prudent and common sense manner, watch over how their money is being spent.

For the past year my staff and I have been watching how the taxpayer's money is being spent and what we have uncovered, and seen uncovered by others, is very disturbing, if not in violation of state and federal criminal statutes.

Accordingly, I am asking each member of this committee to stand with me and stop the waste and misspending by the Governor and the executives and managers of the Illinois Department of Healthcare and Family Services.

The following are some of the matters the committee needs to take action on by exercising its' oversight authority:

- Hiding of Medicaid audits so that individuals are not prosecuted
- Use of h1b visa workers for AFSCME work
- Use of Intergovernmental Agreements to avoid standard procurement rules (\$300 million+)
- PAPD and IAPD submissions without details such as long term costs
- Lawsuits for FOIA violations of hidden documents
- Deceased Medicaid Recipients
- MMIS delays and failures
- Contractors under federal grand jury investigation
- FBI probes into senior management spending at HFS
- DHHS OIG probe and audit resulting in \$7 million in false claims
- Auditor General reports being ignored without corrective action being taken

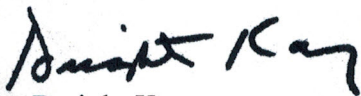
The Governor was notified about each and every one of the above matters. He chose to ignore those notifications until the federal government or the news media made them known. We have a unique opportunity to stop the spending until the committee can bring all the documents and actions to light and provide some fiscal sanity to our debt saddled state.

I am formally asking that each member of the Appropriations-Human Services Committee of the Illinois House of Representatives commit, today, to cease all approval of any new funding for HFS until we get answers with respect to how the money has been misspent and to hold those accountable for their actions.

Additionally, commit to asking the Legislative Audit Commission to investigate and answer why the Medicaid dollars drawn down from the U.S. Treasury ended up in the General Revenue Fund and ultimately used to pay down state debt and other egregious actions by HFS and CMS.

God bless the State of Illinois and the United States of America.

Sincerely,



Dwight Kay
Representative of the 112th District