



INSPECTOR GENERAL

U.S. Department of Defense



DOD OIG COVID-19 OVERSIGHT PLAN

SEPTEMBER 2020

UPDATE

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE



INTRODUCTION

On May 12, 2020, the Department of Defense Office of Inspector General (DoD OIG) released its coronavirus disease-2019 (COVID-19) Oversight Plan describing the independent audits, evaluations, and investigations that it intends to conduct of DoD programs, operations, and activities being executed in response to COVID-19. Through July 31, 2020, the DoD OIG published three best practices memorandums and had 20 ongoing oversight projects.

From August 1 through August 31, 2020, the DoD OIG had 20 ongoing audits and evaluations, and did not open any new projects. The Defense Criminal Investigative Service continued to work with other Federal law enforcement agencies to proactively identify fraud and product substitution in DoD acquisition and health care programs related to the DoD's response to the COVID-19 crisis. The DoD Hotline received a total of 77 new contacts related to COVID-19 during August, continuing a two month upward trend since July. Social distancing continued to be the most frequently reported issue.

This month's update to the DoD OIG COVID-19 Oversight Plan lists ongoing oversight projects in alignment with the DoD's top three challenges related to its pandemic-related responsibilities. These challenges are maintaining readiness and conducting ongoing operations while adhering to COVID-19 restrictions; ensuring access to and quality of healthcare for service members and their families; and ensuring appropriate financial management and accountability of COVID-19 related funds. Each section of this update describes the challenge, lists ongoing oversight projects related to the challenge, and includes a link to the related project announcement letters on the DoD OIG website.

Planning and executing the right audits and evaluations at the right time is critically important. The DoD OIG continues to coordinate across the DoD, the Federal oversight community, and with the Pandemic Response Accountability Committee (PRAC) to conduct the most relevant and impactful oversight projects that are responsive to the complex environment in which the DoD operates.

TOP COVID-19 MANAGEMENT CHALLENGES FACING THE DEPARTMENT OF DEFENSE

On August 5, 2020, Secretary of Defense Mark Esper reaffirmed that his top three priorities during the COVID-19 pandemic are taking care of DoD's people and their families, ensuring the department can maintain our readiness to execute the national security mission, and supporting the whole-of-government effort.

The following sections discuss each of the COVID-19-related challenges and the oversight projects the DoD OIG is undertaking to address each challenge.

Maintaining Readiness and Ongoing Operations While Adhering to COVID-19 Restrictions

The DoD's enduring mission is to provide combat-credible military forces to deter war and protect the security of the United States. COVID-19 impacts individual and unit readiness when service members or their families are infected with the coronavirus. If service members and their units are unable to train for operations or deploy, then overall readiness may decline, reducing the DoD's ability to respond to threats and defend the United States.

The long-term health impacts for COVID-19 survivors remain unknown. If COVID-19 survivors experience significant long-term health conditions, then the DoD must be prepared to address potential impacts on the recruitment, accession, training, and retention of service members.

COVID-19 also impacts the research, development, testing, acquisition, and procurement of military platforms and weapons. On July 8, 2020, the Under Secretary of Defense for Acquisition and Sustainment, Ellen Lord, observed that the COVID-19 crisis has increased the awareness of vulnerabilities throughout the U.S. supply chain and an overreliance on sources located in potentially adversarial countries like China. She noted that "now we have interest in actually making sure we understand the fragilities in our supply chain, and that we make sure we re-shore as much as possible and also have partners and allies supporting us wherever possible." The COVID-19 pandemic presents risks to the defense industrial base and supply chain, ranging from project slowdowns and cost overruns to fraud, introduction of counterfeit parts, and closures of small and mid-sized suppliers that cannot withstand facility shutdowns or decreased production.

Finally, the DoD has demonstrated agility in supporting and implementing telework solutions for its workforce. Remote access and virtual workplace solutions stress IT infrastructure and impose new security concerns. The DoD must continue to deploy new secure capabilities and expand systems' and networks' capacity to enable its workforce to execute the DoD mission from remote locations where possible.

The DoD OIG has initiated the following oversight projects focused on maintaining readiness and ongoing operations in the COVID-19 environment.

Ongoing Projects

Audit of the DoD Military Installations Public Health Emergency Readiness

The objective of this audit is to determine whether DoD officials implemented measures to prepare for, respond to, and recover from public health emergencies, such as COVID-19, on DoD installations.

<https://media.defense.gov/2020/Jun/16/2002316636/-1/-1/1/D2020-D000RG-0146.000.PDF>

Evaluation of Access to DoD Information Technology and Communications During the COVID-19 Pandemic

The objective of this assessment is to determine the extent to which the DoD workforce has adequate connectivity to DoD information technology and communications needed to maintain continuity of operations during the COVID-19 pandemic.

<https://media.defense.gov/2020/Jun/19/2002318556/-1/-1/1/D2020-D000CU-0125.000.PDF>

Evaluation of the Navy's Plans and Response to the COVID-19 Outbreak Onboard Ships

The objective of this evaluation is to determine whether the Navy has implemented policies and procedures to prevent and mitigate the spread of infectious diseases, such as COVID-19, on ships and submarines.

https://media.defense.gov/2020/May/11/2002297866/-1/-1/1/D2020-DEV0SI-127.000_REDACTED.PDF

Evaluation of U.S. Combatant Command Responses to the COVID-19 Pandemic

The objective of this evaluation is to determine whether U.S. Africa Command, U.S. Central Command, U.S. European Command, U.S. Indo-Pacific Command, U.S. Southern Command, and their Component Commands executed pandemic response plans; and to identify the challenges encountered in implementing the response plans and the impact to operations resulting from COVID-19.

<https://media.defense.gov/2020/May/13/2002298951/-1/-1/1/D2020-DEV0PD-0130.000.PDF>

Audit of the Disinfection of DoD Facilities in Response to the Coronavirus

The objective of this audit is to determine whether DoD officials adequately cleaned and disinfected DoD facilities that were occupied by individuals suspected of, or confirmed as being positive for, COVID-19.

<https://media.defense.gov/2020/May/15/2002300592/-1/-1/1/D2020-D000RH-0128.000.PDF>

Audit of the Impact of COVID-19 on Basic Military Training

The objective of this audit is to determine whether the DoD followed guidance and implemented procedures to prevent and reduce the spread of COVID-19 at basic training facilities, while maintaining military readiness.

<https://media.defense.gov/2020/Jun/09/2002313143/-1/-1/1/D2020-D000RL-0118.000.PDF>

Audit of Maintaining Cybersecurity in the COVID-19 Telework Environment

The objective of this audit is to determine whether DoD components maintained network protections as the DoD workforce maximized the use of telework capabilities during the coronavirus disease pandemic.

<https://media.defense.gov/2020/Jun/09/2002313147/-1/-1/1/D2020-D000CR-0119.000.PDF>

Audit of Dual-Status Commanders (DSC) for use in Defense Support of Civil Authorities

The objective of this audit is to determine whether DoD components complied with the process to nominate, certify, and appoint DSCs in accordance with legal authorities and DoD policies for use in Defense Support of Civil Authorities missions in response to the outbreak of COVID-19. The DSC is a commissioned officer with the consent of the applicable governor of a state to exercise command on behalf of, and receive separate orders from, a federal chain of command and exercise command on behalf of, and receive separate orders from, a state chain of command.

<https://media.defense.gov/2020/May/11/2002297479/-1/-1/1/D2020-D000RM-0122.000.PDF>

Audit of Screening and Quarantine Procedures at Al Udeid Air Base

The objective of this audit is to determine whether the Air Force has implemented screening and quarantine procedures for personnel entering Al Udeid Air Base in accordance with applicable criteria in response to COVID-19.

<https://media.defense.gov/2020/May/11/2002297477/-1/-1/1/D2020-D000RJ-0123.000.PDF>

Ensuring Access and Quality of Healthcare to Service Members and Their Families

Protecting the health and welfare of service members and their families requires access to high-quality healthcare. COVID-19 places additional pressure on hospitals and their staff. The Military Health System is not immune to this pressure. Service members' and their families' access to medical and dental care could be impacted if medical and dental services are limited due to Government-mandated, stay-at-home orders or if base access is restricted.

The DoD must maintain sufficient levels of personal protective equipment for medical personnel; testing kits, including reagents, swabs, and various collection devices; and medication to treat service members and their families who test positive for COVID-19. For example, access to testing kits is necessary to make an accurate diagnosis, determine appropriate treatment in a timely manner, limit further transmission, and promote health and safety.

The DoD OIG has initiated the following oversight projects focused on ensuring access to and quality of healthcare for service members and their families during the COVID-19 pandemic.

Ongoing Projects

Evaluation of the Armed Forces Retirement Home Response to the Coronavirus Disease–2019 Pandemic

The objective of this evaluation is to determine whether the Armed Forces Retirement Home protected the residents, staff, and medical professionals from COVID-19 exposure in accordance with Centers for Disease Control and Prevention, State, and local health and safety guidance.

https://media.defense.gov/2020/Jul/27/2002464795/-1/-1/1/D2020-DEV0PC-0158.000_REDACTED.PDF

Evaluation of DoD Medical Treatment Facility Challenges During the COVID-19

The objective of this evaluation is to determine the challenges and needs DoD military medical treatment facilities face in responding to the COVID-19 pandemic.

https://media.defense.gov/2020/Jun/01/2002308393/-1/-1/1/D2020-DEV0PB-0136.000_REDACTED_EDITED.PDF

Audit of Infectious Disease Medical Treatment Capabilities at Al Udeid Air Base

The objective of this audit is to determine whether Al Udeid Air Base has the capability to treat COVID-19 patients and isolate or quarantine suspected infected service members, civilians, and contractors.

<https://media.defense.gov/2020/May/27/2002306133/-1/-1/1/D2020-D000RJ-0135.000.PDF>

Evaluation of Defense Logistics Agency Oversight of Contracts for Ventilators and Respirators in Response to the COVID-19 Outbreak

The objective of this evaluation is to determine whether the Defense Logistics Agency conducted effective contract oversight to ensure ventilators and respirators were delivered in accordance with the timelines and quality requirements in the contracts in response to the global COVID-19 pandemic.

https://media.defense.gov/2020/May/05/2002294747/-1/-1/1/D2020-DEVOSA-0124.000_REDACTED.PDF

Ensuring Appropriate Financial Management and Accountability of COVID-19 Spending

Properly tracking, reporting, and auditing the additional funds provided to the DoD to respond to COVID-19 is a challenge. The DoD must accomplish its COVID-19 support mission while continuing to support the DoD-wide financial statement audits. The Acting DoD Inspector General and Acting Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, issued a joint memorandum on May 1, 2020, to the DoD agencies and auditors encouraging them to work collaboratively to identify common issues and alternative ways to complete the financial statements audit work.

The DoD must ensure it gets what it pays for in its acquisitions and contracts funded with COVID-19 response funding, as well as guard against fraud and improper payments. The DoD should focus on properly identifying and evaluating requirements; robustly vetting contractors and vendors before awarding contracts; establishing and following well-documented contract oversight and surveillance plans; and maintaining complete, consistent, and accurate contracting documentation and accounting records.

The DoD must also maintain its capabilities while balancing its commitments to contractors that are unable to fulfill DoD requirements due to COVID-19 restrictions. During a Defense News Conference on September 8, 2020, the Undersecretary for Acquisition and Sustainment, Ellen Lord, explained that while Congress had authorized the Pentagon to reimburse contractors for some expenses incurred because of coronavirus under Section 3610 of the Coronavirus Aid, Relief and Economic Security Act, it had yet to appropriate money to cover those costs expected to be between \$10 and \$20 billion. She continued, “We believe we need that appropriation to maintain readiness because if we do not get that, what we are going to find is we are not going to get the number of units delivered, we are not going to maintain warfighter readiness, we’re not going to move forward in modernization.”

Finally, the increase to the national debt caused by major COVID-19 response appropriations could reduce future DoD budgets, impacting readiness and slowing modernization. DoD leaders must continue to carefully examine mission sets, business processes, and resources to optimize readiness and modernization. Appropriate financial management and accountability strengthens the trust of Congress and the American people in the DoD’s ability to be good stewards of taxpayer dollars.

The DoD OIG has initiated the following oversight projects focused on ensuring appropriate financial management and accountability of COVID-19 spending.

Ongoing Projects

Audit of U.S. Army Corps of Engineers Contract Quality Assurance Controls Over the Conversion of Alternate Care Sites for the COVID-19 Response

The objective of this audit is to determine whether U.S. Army Corps of Engineers officials established quality assurance controls for the Alternate Care Sites facilities constructed in response to the COVID-19 pandemic.

<https://media.defense.gov/2020/Jun/19/2002318550/-1/-1/1/D2020-D000AV-0144.000.PDF>

Audit of Contracts for DoD Information Technology Products and Services Procured by DoD Components in Response to the COVID-19 Pandemic

The objective of this audit is to determine whether DoD components used supplemental funding, received in response to the pandemic, to procure information technology products and services in accordance with applicable DoD and Federal requirements.

<https://media.defense.gov/2020/May/27/2002306080/-1/-1/1/D2020-D000CS-0129.000.PDF>

Audit of DoD Implementation of Section 3610 Authorized by the Coronavirus Aid, Relief, and Economic Security Act

The objective of this audit is to assess the DoD's implementation of section 3610 as authorized by the Coronavirus Aid, Relief, and Economic Security Act, including whether contracting officers properly authorized and reimbursed contractors' costs.

<https://www.dodig.mil/reports.html/Article/2213285/project-announcement-audit-of-dod-implementation-of-section-3610-authorized-by/>

Audit of the Department of Defense Mission Assignments for COVID-19 in the U.S. Northern Command Area of Responsibility

The objective of the audit is to determine whether U.S. Northern Command and DoD components identified, tracked, requested, and received reimbursement for COVID-19 mission assignments from the Federal Emergency Management Agency (FEMA) in accordance with Federal and DoD policies.

<https://media.defense.gov/2020/Jun/09/2002313150/-1/-1/1/D2020-D000AU-0143.000.PDF>

Audit of Controls Over Costs for Health Care Claims for Services Related to COVID-19

The objective of this audit is to determine whether the Defense Health Agency effectively controlled costs for health care claims related to the COVID-19 pandemic.

<https://media.defense.gov/2020/May/05/2002294421/-1/-1/1/D2020-D000AW-0117.000.PDF>

Audit of Contracts for Equipment and Supplies in Support of COVID-19

The objective of this audit is to determine whether the DoD paid fair and reasonable prices for equipment and supplies procured in response to the COVID-19 pandemic.

<https://media.defense.gov/2020/May/05/2002294423/-1/-1/1/D2020-D000AX-0110.000.PDF>

Audit of Entitlements and Allowances for Deployed Reserve Service Members

The objective of this audit is to determine whether the DoD Reserve components mobilization process ensures that entitlements and allowances are accurately identified and processed prior to service members' deployment.

<https://media.defense.gov/2020/May/06/2002295156/-1/-1/1/D2020-D000RG-0116.00.PDF>

DoD OIG CRIMINAL INVESTIGATIONS

The Defense Criminal Investigations Service, the criminal investigative component of the DoD OIG, has initiated investigative projects nationwide to proactively identify fraud and product substitution in DoD acquisition and health care programs related to the DoD's response to the COVID-19 pandemic. Specific accomplishments to date include:

The U.S. Attorney announced the formation of a South Carolina COVID Strike Team to combat Coronavirus fraud, focused on the prosecution and investigation of Coronavirus fraud schemes, hoarding and price gouging activities

https://media.defense.gov/2020/Jun/10/2002313787/-1/-1/200406_U.S.%20ATTORNEY%20ANNOUNCES%20SOUTH%20CAROLINA%20..PDF

Injunction sought to prevent Applied Biosciences Corp from selling in-home COVID-19 antibody blood test that has not been approved by the FDA

<https://www.lacityattorney.org/post/feuer-and-lacey-bring-action-against-l-a-area-s-applied-biosciences-corp-over-its-antibody-test>

President of a California-based medical technology company charged in connection with alleged participation in schemes to mislead investors, manipulate the company's stock price, and conspire to commit health care fraud in connection with the submission of over \$69 million in false and fraudulent claims for allergy and COVID-19 testing

<https://www.justice.gov/opa/pr/medical-technology-company-president-charged-scheme-defraud-investors-and-health-care-benefit>

Georgia man arrested for alleged role in a conspiracy to defraud federally funded and private health care benefit programs by submitting fraudulent testing claims for COVID-19 and genetic cancer screenings

<https://www.justice.gov/usao-nj/pr/georgia-man-arrested-orchestrating-scheme-defraud-health-care-benefit-programs-related>

BEST PRACTICES GUIDANCE ISSUED TO THE DoD

Using the findings from previous oversight work, the DoD OIG issued the following memorandums to the DoD.

Special Report on Best Practices and Lessons Learned for Department of Defense Contracting Officials in the Pandemic Environment

On June 4, 2020, the DoD OIG issued this special report to provide contracting award and oversight best practices and lessons learned from prior disaster reporting.

<https://media.defense.gov/2020/Jun/04/2002310376/-1/-1/1/DODIG-2020-085.PDF>

Special Report on Protecting Patient Health Information during the COVID-19 Pandemic

On April 27, 2020, the DoD OIG issued this special report to provide best practices and lessons learned identified in previous DoD OIG audit reports related to protecting patient health information. As medical treatment facilities and alternate care facilities experience increased volumes of patients seeking treatment during the COVID-19 pandemic, DoD health care leaders, medical treatment facility chief information officers, network administrators, and users must protect the confidentiality, integrity, and availability of protected health information.

<https://media.defense.gov/2020/Apr/27/2002289051/-1/-1/1/DODIG-2020-080.PDF>

COVID-19 Expenditures – Lessons Learned Regarding Awareness of Potential Fraud, Waste, and Abuse Risk

On April 6, 2020, the DoD OIG issued this memorandum to DoD leaders to share best practices and lessons learned to ensure that the DoD uses CARES Act funds effectively and to remind DoD personnel to be proactive in their efforts to prevent fraud, waste, and abuse before they occur.

<https://media.defense.gov/2020/Apr/21/2002285212/-1/-1/1/COVID-19%20EXPENDITURES%20LESSONS%20LEARNED.PDF>

DoD HOTLINE

The DoD OIG operates the DoD Hotline to provide a confidential, reliable means to report fraud, waste, abuse, and other violations of law that involve DoD personnel or operations, without fear of reprisal. The DoD Hotline continues to receive contacts related to COVID-19, and is tracking complaints in the following seven categories.

1. Isolation and Quarantine
2. Social Distancing
3. Fraud
4. Care of Patients
5. Policy Questions/Teaching and Training
6. Reprisal
7. Other

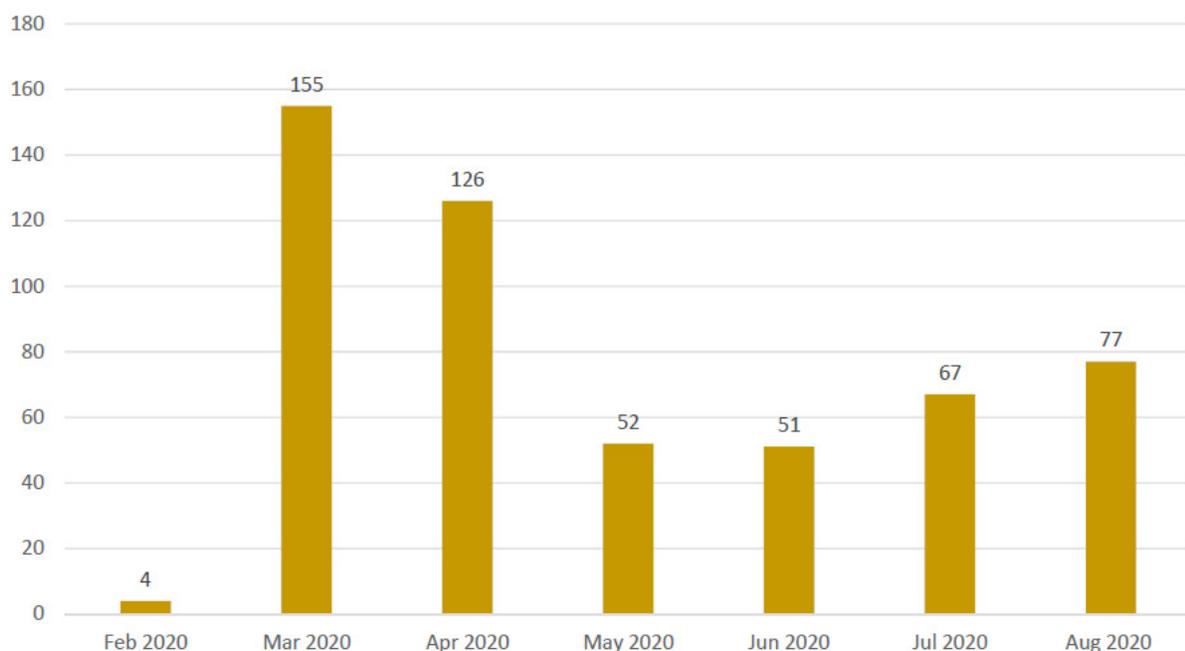
A DoD Hotline contact becomes a case when the Hotline opens and refers the case for action or information to a DoD OIG Component, Military Service, DoD agency, DoD field activity, or other agency outside the DoD.

The DoD OIG oversees all hotline complaints that are referred for action. The DoD Hotline will not close the complaint until the DoD OIG approves the Hotline Completion Report and determines that the complaint has been adequately addressed.

The following chart identifies the number of contacts received by month, as of August 31, 2020.

COVID-19 CONTACTS BY MONTH

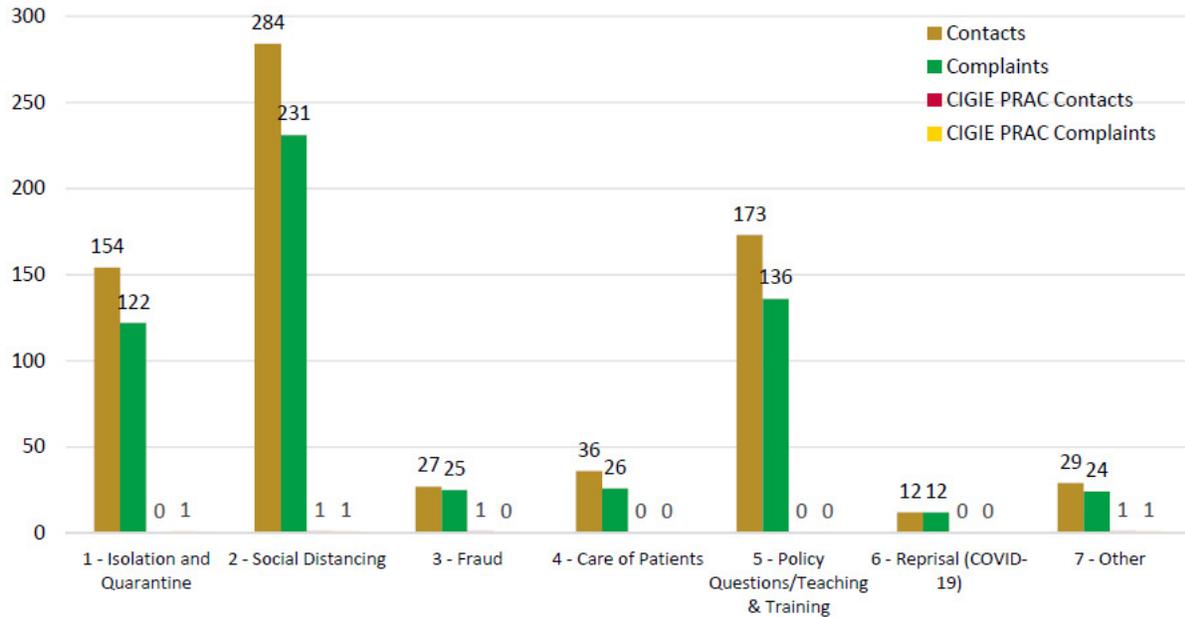
AS OF AUGUST 31, 2020



The following chart identifies the total number of contacts the DoD OIG received, including three DoD-related contacts forwarded from the PRAC's Hotline, and the resulting complaints created related to COVID-19 as of August 31, 2020.

COVID-19 CATEGORIES

532 CONTACTS RECEIVED AS OF AUGUST 31, 2020
428 COMPLAINTS CREATED AS OF AUGUST 31, 2020

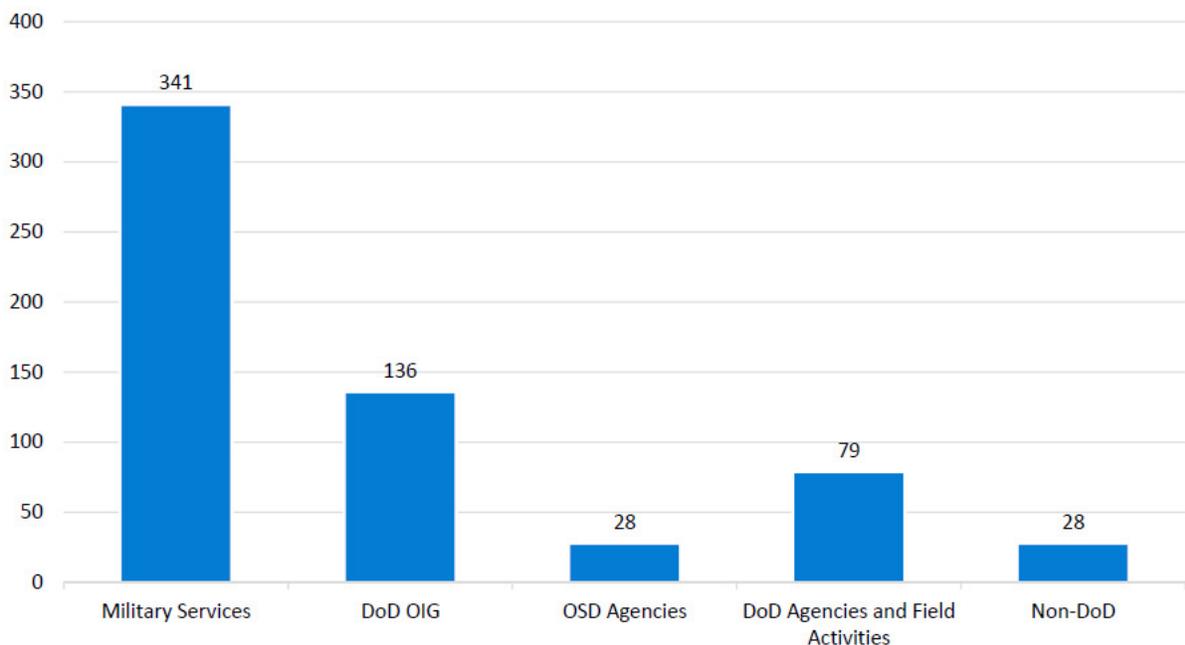


Note: Contacts and complaints can contain multiple categories

The following chart shows the number of COVID-19 cases that have been referred as of August 31, 2020.

COVID-19 CASES REFERRED BY COMPONENT

AS OF AUGUST 31, 2020



Whistleblower Protection

U.S. DEPARTMENT OF DEFENSE

The Whistleblower Protection Ombudsman's role is to educate agency employees about prohibitions on retaliation and employees' rights and remedies available for reprisal.

The DoD Hotline Director is the designated ombudsman.

For more information, please visit the Whistleblower webpage at www.dodig.mil/programs/whistleblower.

For more information about DoD IG reports or activities, please contact us:

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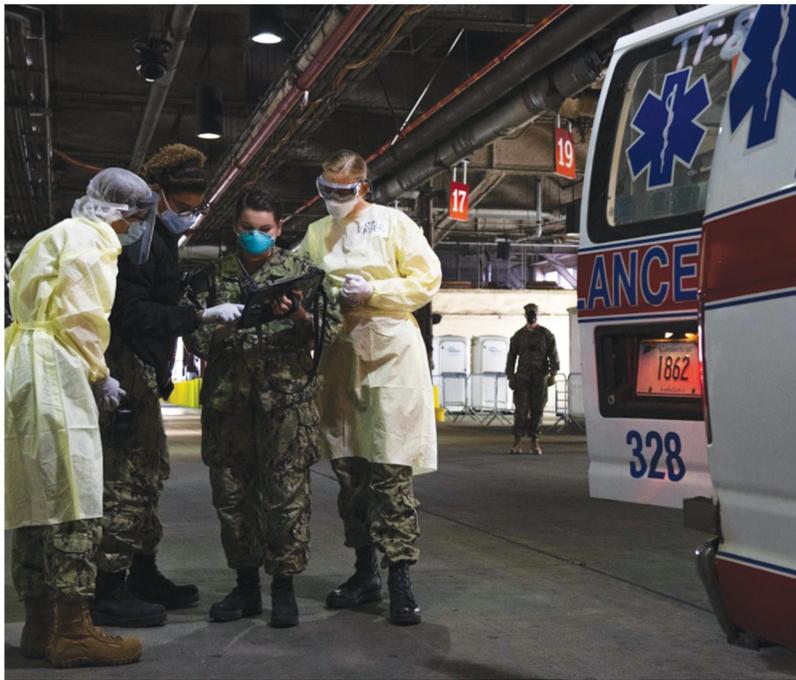
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