EMPOWER OVERSIGHT
Whistleblowers & Research

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August 26, 2026

Thomas "March" Bell
Office of Inspector General
U.S. Department of Health and Human Services
ATTN: OIG Hotline Operations / Office of Investigations
330 Independence Avenue, S.W.
Washington, D.C. 20201

RE: Whistleblower Referral — Suspected Fraud, False Claims, and Misuse of Federal Funds in the West Virginia Ryan White HIV/AIDS Program, Part B

Dear Inspector General Bell:

I. Introduction and Summary

Empower Oversight submits this investigative referral on behalf of Natasha Steward, a current Medical Case Manager at the AIDS Task Force of the Upper Ohio Valley, Inc. ("ATFUOV"). The information described herein may constitute violations of federal theft or bribery laws (18 U.S.C. § 666), federal anti-kickback laws (42 U.S. Code § 1320a-7b), the False Claims Act (31 U.S.C. § 3729), the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule, and other federal rules and regulations.

The Ryan White HIV/AIDS Treatment Extension Act of 2009[1] established the Ryan White HIV/AIDS Program. The program is overseen by the HIV/AIDS Bureau of the U.S. Department of Health and Human Services' Health Resources and Services Administration ("HRSA"). Under Part B of the Ryan White Program, federal grant funds go to states to improve the quality of and access to HIV health care and support as well as to provide medications to low-income individuals with HIV.

West Virginia received approximately $5 million in fiscal year 2025 from the Ryan White Part B Program, which was administered by the Division of STD and HIV in the West Virginia

[1] Pub. L. No. 111-87.

Department of Health's Office of Epidemiology and Prevention Services. The state in turn contracts with ATFUOV, a nonprofit AIDS service organization headquartered in Wheeling, to administer state "Direct Services," including medical case management and client eligibility determinations and to play a role in the AIDS Drug Assistance Program ("ADAP"), which pays for HIV medications for low-income individuals.

Based on records Ms. Steward reviewed in the ordinary course of her duties, and on her firsthand observations, Ms. Steward has identified conduct that appears to reflect fraud, false claims, and the misuse of federal grant funds within ATFUOV. We respectfully ask that your office investigate and, as warranted, coordinate with the Department of Justice, the Health Resources and Services Administration ("HRSA"), and other affected federal programs.

In the course of her job duties, Ms. Steward identified services recorded as delivered to a person she knew had died many years earlier. Then she found another case of a deceased person being recorded as receiving services. When she confronted a manager about her concern that services were being purportedly delivered to dead or nonexistent clients, her supervisor texted her: "It[']s part of what we are cleaning up."

In summary, the records and observations described below indicate:

- Benefit disbursements to beneficiaries who were deceased — in one case for nearly three years after a documented death, and in another for more than two years after the death was reported to the program;
- Enrollment of beneficiaries for whom no proof of identity, income, or HIV status appears in the system, raising the prospect of fictitious or unverified enrollees drawing federally funded medication benefits;
- Billing of ADAP ahead of, or in addition to, available third-party coverage, contrary to the program's statutory "payer of last resort" requirement, with potential exposure to Medicaid, Medicare Part D, and TRICARE;
- Improper billing and potential kickbacks involving at least one participating pharmacy;
- Embezzlement and other misappropriation of program property, including gas cards and program credit cards;
- Falsification of case records and of data reported to HRSA, including alteration of the user attribution of system entries after Ms. Steward raised concerns;
- Retention of live system access by employees after they had left the program; and
- Internal instructions discouraging staff from reporting concerns to the state.

Ms. Steward can see only the ten counties of her own region and cannot access billing data held by the pharmacies, the state grantee, or HRSA. The conduct described below is therefore best understood as a set of documented examples that warrant a full audit using data available only to the government.

II. The Disclosing Party

Natasha Steward began work as a Medical Case Manager for ATFUOV on April 13, 2026. She serves Region 4 of the West Virginia Ryan White Part B program, covering ten counties in the southern West Virginia coalfields. She was hired to replace Sharon Smith, a case manager of approximately thirty-three years' tenure. Ms. Steward's knowledge is primarily direct and firsthand: it derives from the client records in the HRSA CAREWare system, from her own review of an inactive client list of nearly 200 files she was assigned to process, and from her contemporaneous communications with colleagues and clients.

III. The Program and the Flow of Federal Funds

Client data are maintained in CAREWare, a federal software system developed by HRSA, and are also formally reported to HRSA through the annual Ryan White Services Report ("RSR"). Program eligibility is expressly conditioned on the applicant seeking services as a health-care payer of last resort. By statute, the state must ensure that Ryan White funds are not used to pay for any item or service to the extent payment has been made or can reasonably be expected from another source.[2] Because ATFUOV receives federal program funds well in excess of $10,000 annually, its handling of those funds is also subject to 18 U.S.C. § 666.

IV. Specific Matters Warranting Investigation

A. Disbursements to deceased beneficiaries

On July 13, 2026, while processing the inactive client list, Ms. Steward recognized the file of a personal acquaintance who had died. The CAREWare demographic screen for this individual (Client ID 6086) records a date of death of August 22, 2019, which Ms. Steward confirmed against the published obituary. The service ledger nonetheless reflects continued disbursements — including food cards and gas cards valued at $50 to $100 and recurring case-management units — into 2022. The case was not closed until July 1, 2026, nearly seven years after death. A second file for another client (Client ID 1890) records a date of death of February 18, 2022. A contemporaneous service note reflects that the client's partner telephoned to report the death and that the record was "updated," yet food card and gas card disbursements are recorded on June 12, 2024 — more than two years later. That case likewise remained open until July 1, 2026. Notably, both files are marked as presenting "0 issues" in the 2025 and 2026 RSR views, meaning the deceased beneficiaries were carried without exception in the data reported to HRSA.

B. Unverified or fictitious enrollees

Ms. Steward reports that many client files contain no proof of identity, no proof of income, and no verification of HIV status — clients "were just assigned an ADAP number," which is used to bill for HIV medications at pharmacies. Despite HRSA requirements,[3] ATFUOV only began in 2026 requiring documentation of eligibility. The absence of any underlying proof

[2] See 42 U.S.C. § 300ff-27(b)(7)(F); see also HRSA policy guidance on eligibility and payer-of-last-resort obligations.

[3] https://ryanwhite.hrsa.gov/sites/default/files/ryanwhite/grants/pcn-21-02-determining-eligibility-polr.pdf.

that certain enrollees existed or qualified raises the prospect that federal medication funds were, and may still be, drawn on behalf of fictitious or ineligible beneficiaries. This can be tested against ADAP claims data and pharmacy records held outside Ms. Steward's access.

C. ADAP "payer of last resort" requirements and possible double billing

Ms. Steward observed ADAP numbers being billed first, even where the client held insurance such as TRICARE, Medicaid, or Medicare Part D. Further, she is concerned ADAP and a client's other coverage were in some instances billed for the same medication, resulting in double payment to the pharmacy. Ryan White and ADAP are statutorily the payer of last resort; billing ADAP ahead of available third-party coverage, or billing both for the same medication, would result in false claims against the federal program and potentially against Medicaid, Medicare, and TRICARE as well. This is verifiable through claims-level reconciliation across ADAP and the third-party payers. In addition to coordinating with the Centers for Medicare and Medicaid Services, the TRICARE exposure may also warrant coordination with the Defense Health Agency.

D. Improper billing and potential kickbacks

A client on whom Ms. Steward recently completed an intake reported that, at Crab Orchard Pharmacy, a Ryan White Part B client could "put anything you want on the Ryan White Part B tab." Ms. Steward reports that the pharmacy historically submitted a monthly bill that ATFUOV paid from grant funds.

It is unclear if this was a widespread practice among other pharmacies, or if it was a concerted effort by Crab Orchard Pharmacy to compete with other pharmacies for Ryan White Program clients, which could violate federal anti-kickback statutes.

E. Misappropriation of program property and alleged embezzlement

Gas cards and program credit cards were controlled by a limited set of staff and were used for personal purchases. Additionally, a departing employee, Robin Abrams, took a quantity of gas cards when her employment with the agency ended, stating that new paperwork requirements made them inconvenient to dispense to clients.

Additionally, it appears to Ms. Steward that her predecessor as Medical Case Manager, Sharon Smith, was directing work and compensation from the Ryan White program to Ms. Smith's own counseling clinics, one of which was opened while Ms. Smith worked for ATFUOV. Further, the same client referenced in the prior section alleged to Ms. Steward that he had known for years that Ms. Smith "embezzled" program funds.

When Ms. Steward reported this information to her supervisor at ATFUOV, Ryan White Part B Deputy Director Jill Holloway, Ms. Holloway told Ms. Steward that she knew Ms. Smith had been embezzling money. However, Ms. Holloway said that when she took this information to her supervisor, Ryan White Part B Director Jay Adams, he refused to do anything about it. Ms. Holloway told Ms. Steward that she had brought Ms. Holloway the information Ms. Holloway would need to file a qui tam case under the False Claims Act—despite Ms. Holloway herself having entered/recorded a number of fraudulent transactions to deceased individuals.

F. Retention of system access by departed employees

Two employees who had left the program — Ms. Smith and Ms. Abrams — retained access to CAREWare and HRSA data, including patient data, until July 23, 2026, well after their separation. This violates ATFUOV's obligation under HIPAA to end electronic access.[4]

G. Falsification of records and of data reported to HRSA

The day after Ms. Steward first raised the deceased-beneficiary issue internally, she reviewed the same file again and concluded that it had been altered. The most significant integrity concern she describes is one of attribution: each CAREWare user has a unique, non-shared login that must be changed every thirty days, so that system entries are attributable to the specific user who made them. Ms. Steward reports that entries originally made by Ms. Smith briefly appeared in the system under Ms. Steward's own name — despite predating her April 13, 2026 start date — and were then changed back to Ms. Smith's name after Ms. Steward reported her concerns on July 13, 2026. Alteration of user attribution contemporaneous with a report of misconduct, together with the carrying of deceased beneficiaries as "0 issues" in the RSR, indicates that inaccurate information was recorded in, and reported to HRSA from, the federal data system.

H. Internal suppression of reporting

When Ms. Steward reported her findings on July 13, 2026, to her supervisor at ATFUOV, Ryan White Part B Deputy Director Jill Holloway, said "It[']s part of what we are cleaning up." Ms. Holloway further illegally instructed Ms. Steward to keep her concerns internal to ATFUOV. When Ms. Steward asked her supervisor about former employees retaining access Ms. Holloway stated responded that there had been "no rules in place" previously.

Ms. Steward subsequently attempted to raise concerns with state officials, including in a July 14, 2026 phone call with Ryan White ADAP Program Coordinator Michelle Neidig as well as in a July 16, 2026 phone call with Ms. Neidig and Office of Epidemiology and Prevention Services' Clinical Quality Management Director Stacy Holstine. They told Ms. Steward that all issues must be addressed through Ms. Holloway—despite Ms. Steward having identified Ms. Holloway's apparent role in the fraud. Finally, in a July 20, 2026 call, Ms. Holstine indicated the state oversees only the funding for the Ryan White Program, and reiterated that all issues should be addressed through Ms. Holloway.

Subsequently, on July 24, 2026, Ms. Holloway distributed meeting minutes instructing all staff to "keep our house stuff in-house" and not email the state's Division of STD and HIV with complaints — "especially ones about our organization."

Internal and state channels appear not to be functioning as an effective check, supporting the need for independent federal review.

V. Documentation Available to the Government

[4] 45 C.F.R. § 164.308(a)(3)(ii)(C).

Ms. Steward has preserved, and can provide through counsel, the following:

- CAREWare demographic and service-history screen captures for the two deceased beneficiaries described above, reflecting recorded dates of death and post-death disbursements;
- The program's recertification correspondence and related program materials;
- Text message exchanges with a living client, with a departed colleague, and with her supervisor, together with call logs;
- The July 24, 2026 meeting notes instructing staff to keep complaints "in-house";
- Ms. Steward's own signed narrative statement; and
- The client identifiers she recorded during the inactive client review, and the identity of the pharmacy client-witness who has agreed to provide a statement.

Because Ms. Steward's visibility is limited to her region and excludes pharmacy, ADAP-claims, third-party-payer, and grantee-level data, the full scope of any loss can be established only through the government's access to those records.

VI. Requested Action

We respectfully request that your office:

- Open an investigation into the matters described above;
- Obtain and audit the complete CAREWare records, RSR submissions, ADAP claims, and pharmacy billing associated with the program and the subrecipient, including records for beneficiaries whose files have been made inactive or archived;
- Reconcile ADAP billing against third-party coverage to test the payer-of-last-resort and double-billing concerns, coordinating as appropriate with CMS and the Defense Health Agency;
- Coordinate with HRSA program integrity and, as warranted, with the Department of Justice;
- Take steps to preserve the CAREWare audit trail and related electronic records given the attribution concerns described above; and
- Monitor to ensure the agency does not violate 41 U.S.C. § 4712(a) by retaliating against Ms. Steward.

Thank you for your time and consideration.

Cordially,
/Tristan Leavitt/
Tristan Leavitt
President

cc: Health Resources and Services Administration, HIV/AIDS Bureau
The Task Force to Eliminate Fraud, c/o Office of the Vice President, The White House
U.S. Department of Justice, National Fraud Enforcement Division