

SUPPLEMENTAL MATERIAL FOR GAO-18-322: HHS Office of Inspector General's Agreements to Protect Federal Health Care Program Integrity

[Read the full report.](#) Department of Health and Human Services: Office of Inspector General's Use of Agreements to Protect the Integrity of Federal Health Care Programs (GAO-18-322).

Background

For federal health care programs like Medicare and Medicaid to function effectively, the many providers and other entities who participate must comply with program requirements. If an entity is found to be out of compliance, the Department of Health and Human Services' Office of Inspector General (HHS-OIG) may seek to negotiate a corporate integrity agreement or integrity agreement with the entity to protect the integrity of federal health care programs. These time-limited agreements focus on the entity's implementation of compliance measures or the development of a compliance program to help promote adherence to applicable laws and program requirements.

This supplement to the report provides additional information from our analysis of the agreements we reviewed from HHS-OIG's database of agreements on: 1) independent review organizations engaged by entities with agreements to perform the required reviews, including claims reviews; 2) entities that entered into multiple agreements with HHS-OIG; and 3) entities with agreements extended beyond the original term.

We identified agreements from a database developed and maintained by HHS-OIG to track agreements. We examined all agreements entered into by HHS-OIG from July 14, 2005—the date the agency created its database—to July 26, 2017, the date we obtained an electronic copy of the database. We also followed-up with HHS-OIG officials where necessary to obtain additional information related to the agreements.

We provided a draft of this supplement to HHS for review and comment. HHS provided technical comments, which we incorporated, as appropriate.

We conducted the work upon which this supplement is based from April 2018 to May 2018 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Additional Information on HHS-OIG's Agreements to Protect the Integrity of Federal Health Care Programs

Following is additional information from an analysis of the Department of Health and Human Services Office of Inspector General's (HHS-OIG) database of agreements to protect federal health care program integrity. Information is provided on 1) independent review organizations engaged by entities with agreements to perform the required reviews; 2) entities that entered into multiple agreements with HHS-OIG; and 3) entities with agreements extended beyond the original term. Entities with agreements include health care providers and pharmaceutical manufacturers, among others. Independent review organizations are engaged by entities to perform an agreement's required reviews, including claims reviews.

I. Independent Review Organizations

For agreements to protect federal health care program integrity that HHS-OIG entered into from July 2005 through July 2017:

- 173 independent review organizations were associated with 394 agreements in HHS-OIG's agreement database, as of July 2017.
- The majority of independent review organizations (115 of 173, or about 66 percent) were associated with a single agreement.
- Some independent review organizations were associated with multiple agreements. Table 1 lists those associated with more than five agreements.

Table 1: Independent Review Organizations Associated with More than Five HHS-OIG Agreements to Protect Federal Health Care Program Integrity, July 2005 – July 2017

Independent Review Organization	Number of Agreements
BKD	7
Bay Area Healthcare Advisors, LLC	7
Bennett Thrasher	9
Compliance Concepts Inc	18
Dixon Hughes Goodman	6
Ernst and Young	26
FTI Consulting	22
Huron Consulting	9
KPMG	6
Navigant	19
Price Waterhouse Coopers (PwC)	23
Simione Healthcare Consultants	7
Strategic Management	14
The Fox Group	10

Source: GAO Analysis of Department of Health and Human Services' Office of Inspector General (HHS-OIG) data. | GAO-18-529SP

II. Entities that Entered into Multiple Agreements with HHS-OIG

Between July 14, 2005 and July 26, 2017, a total of 15 entities were subject to more than one HHS-OIG agreement to protect federal health care program integrity. See table 2.

Table 2: Entities that Entered into Multiple HHS-OIG Agreements to Protect Federal Health Care Program Integrity, July 2005 – July 2017

Entity	Number of Agreements
American Medical Response, Inc.	2
Calloway Laboratories, Inc.	2
CVS Caremark Corporation	4
Merck & Co., Inc.	2
Rural/Metro Corporation	3
Select Medical Corporation	2
University of Medicine and Dentistry of New Jersey	2
Aventis, Inc./Sanofi-Aventis U.S., LLC	2
CareAll, Inc.	2
Inova Health Care Services	2
Lifecare Centers of America, Inc.	3
Medtronic, Inc.	2
Memorial Health, Inc.	2
Odyssey Healthcare, Inc.	2
Pfizer, Inc.	2

Source: GAO Analysis of Department of Health and Human Services' Office of Inspector General (HHS-OIG) data. | GAO-18-529SP

III. Entities with Agreements Extended Beyond the Original Term

Between July 14, 2005 and July 26, 2017, there were a total of 5 entities with agreements to protect federal health care program integrity extended beyond the original term. See table 3.

Table 3: Entities with HHS-OIG Agreements to Protect Federal Health Care Program Integrity Extended Beyond the Original Term, July 2005 – July 2017

Entity	Years Extended
Straub Hospital & Clinic, Inc.	1
Bayer Corporation	1
CVS Caremark Corporation	1
Serono Holding, Inc.	3
Novartis Pharmaceuticals Corporation	5

Source: GAO Analysis of Department of Health and Human Services' Office of Inspector General (HHS-OIG) data. | GAO-18-529SP

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