



BNA's

# Health Care Daily

REPORT

Volume 12 Number 80

Thursday, April 26, 2007

ISSN 1091-4021

**Lead Report**

## **HHS OIG**

### **OIG Shifting to Unannounced Site Visits To Assess CIA Compliance, Adherence**

CHICAGO--Providers under a corporate integrity agreement with the Department of Health and Human Services Office of Inspector General should know the OIG is shifting from announced site visits to unannounced site visits to determine how providers are complying with their obligations under their agreements, an OIG official said April 23.

Speaking at the Health Care Compliance Association's 11th Annual Compliance Institute, Felicia Heimer, deputy chief in the Administrative and Civil Remedies Branch of the Office of Counsel to the OIG, said OIG officials will go onsite to review documentation and tour a facility to see how CIA obligations are being implemented.

Heimer spoke at a session called, "CIAs Gone Wrong; How Not to Live Under a CIA," along with Judith Waltz, an attorney with Foley & Lardner LLP, San Francisco.

Waltz told the audience of compliance officers that site visits can be helpful to both parties, because they help OIG officials understand the provider and how it operates. In fact, Waltz said she tries to convince her provider clients to meet with the OIG officials and walk them through the billing systems in place.

Providers enter into CIAs with the OIG as part of the resolution of an investigation into alleged fraud, or as a result of a False Claims Act settlement. Providers consent to various compliance obligations in exchange for the OIG's promise not to seek a permissive exclusion of the provider, Waltz said.

According to Heimer, some site visits--both announced and unannounced--are conducted randomly, while others are conducted as a result of a tip received by the OIG's office, in some cases from an employee who knows that the CIA is not being followed accurately. "It is not a scientific process," Heimer said, adding, "it is truly a random process for site visits."

Should an OIG representative arrive at a facility and the company compliance officer is not there, the OIG representative still may conduct the site visit, she said.

During the presentation, the speakers addressed factors that might trigger the OIG's attention that all is not going well with a provider under a CIA.

Heimer said the first "precursor to trouble" is a lack of communication from the provider. A second tipoff something may be amiss is if a provider misses a deadline for reporting information, and makes no request for an extension. Third, the OIG would be alerted if it receives phone calls from random employees reporting that the company is falling short of its obligations.

Waltz explained that CIAs include stipulated penalties, which are non-negotiable, for failure to comply with the terms. Moreover, she said, failure to comply may be considered a material breach of the settlement agreement leading to exclusion.

Heimer said the OIG considers several factors in deciding to assess the penalties, including how it learned of the breach, the reason for the breach, steps taken by the provider to correct the situation, the seriousness of the conduct, and how well the provider is complying with other provisions of the CIA.

Heimer said the OIG has assessed stipulated penalties in 36 cases and has issued 20 "notices of failure to comply." 

---

Contact customer relations at: [customercare@bna.com](mailto:customercare@bna.com) or 1-800-372-1033

ISSN 1091-4021

[Copyright](#) © 2007, The Bureau of National Affairs, Inc.

[Copyright FAQs](#) | [Internet Privacy Policy](#) | [BNA Accessibility Statement](#) | [License](#)

Reproduction or redistribution, in whole or in part, and in any form,  
without express written permission, is prohibited except as permitted by the BNA Copyright Policy,  
<http://www.bna.com/corp/index.html#V>

