

## Report in Brief

Date: October 2018

Report No. A-07-18-00538

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Review

Medicare contractors are required to separately account for the Medicare segment pension plan assets based on the requirements of their Medicare contracts and Cost Accounting Standards 412 and 413.

The HHS, OIG, Office of Audit Services, Region VII pension audit team reviews the Medicare segment pension assets to ensure compliance with Federal regulations.

Previous OIG reviews found that Medicare contractors did not always correctly identify and update the segmented pension assets.

Our objectives were to determine whether United Government Services, LLC (UGS), complied with Federal requirements and the Medicare contracts' pension segmentation requirements when (1) implementing the prior audit recommendation to decrease the Medicare segment pension assets as of January 1, 2010, and (2) updating the Medicare segment pension assets from January 1, 2010, to January 1, 2015.

### How OIG Did This Review

We reviewed UGS's implementation of the prior audit recommendation, its identification of its Medicare segment, and its update of the Medicare segment pension assets from January 1, 2010, to January 1, 2015.

## United Government Services, LLC, Properly Updated the Medicare Segment Pension Assets as of January 1, 2015

### What OIG Found

UGS implemented the prior audit recommendation to recognize \$4.3 million as the Medicare segment pension assets as of January 1, 2010. In addition, UGS properly updated the Medicare segment pension assets from January 1, 2010, to January 1, 2015. Therefore, the assets presented by UGS of \$3.0 million as of January 1, 2015, were reasonable and correct. Accordingly, this report contains no recommendations.