National Government Services, Inc., Claimed Some Unallowable Supplemental Executive Retirement Plan Costs Through Its Final Administrative Cost Proposals

What OIG Found
NGS claimed SERP costs of $287,457 for Medicare reimbursement for FYs 2007 through 2013; however, we determined that the allowable SERP costs for this period were $250,933. The difference, $36,524, represented unallowable fiscal intermediary and carrier contract SERP costs that NGS claimed on its FACPs for FYs 2007 through 2013. This overclaim occurred primarily because NGS used unallowable compensation when calculating its SERP costs for Medicare reimbursement.

What OIG Recommends and Auditee Comments
We recommend that NGS work with CMS to revise its FACPs for FYs 2007 through 2013 to reduce its claimed Medicare SERP costs by $36,524.

NGS concurred with our finding and recommendation and described corrective action that it planned to take.

The full report can be found at https://oig.hhs.gov/oas/reports/region7/71800551.asp