

Report in Brief

Date: August 2021

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



Why OIG Did This Audit

The Centers for Medicare & Medicaid Services (CMS) reimburses Medicare contractors for a portion of their Supplemental Executive Retirement Plan (SERP) costs.

The HHS, OIG, Office of Audit Services, Region VII pension audit team reviews the cost elements related to qualified defined-benefit, postretirement benefit, and any other pension-related cost elements claimed by Medicare contractors through Incurred Cost Proposals (ICPs).

Previous OIG audits found that Medicare contractors did not always comply with Federal requirements when claiming SERP costs for Medicare reimbursement.

Our objective was to determine whether the calendar years (CYs) 2015 and 2016 SERP III costs that Companion Data Services, LLC (CDS), claimed for Medicare reimbursement, and reported on its ICPs, were allowable and correctly claimed.

How OIG Did This Audit

We reviewed \$958 of Medicare SERP III costs that CDS claimed for Medicare reimbursement on its ICPs for CYs 2015 and 2016.

We performed this audit in conjunction with three other pension and postretirement benefit audits of CDS. In these four audits, we reviewed more than \$4.3 million in Medicare costs claimed by CDS.

Companion Data Services, LLC, Supplemental Executive Retirement Plan III Costs Claimed Through Incurred Cost Proposals Were Allowable and Reasonable

What OIG Found

The SERP III costs that CDS claimed for Medicare reimbursement on its ICPs for CYs 2015 and 2016 were allowable and reasonable, and thus were correctly claimed. Therefore, this report makes no recommendations.

Auditee Comments

CDS said that it would work with CMS to ensure that its final settlement of contract costs is appropriate.