Good morning. It is a pleasure to be here today at this important event with my colleague from the Department, CMS Administrator Dr. Donald Berwick, and FTC Chairman Jon Leibowitz. Partners from the Department of Justice and the Internal Revenue Service are also here today.

- Today’s workshop is an opportunity for sharing views about what the government needs to do to ensure that bona fide Accountable Care Organizations (ACO), striving to achieve the important goals of improving quality and achieving savings, are not unduly inhibited by existing laws, including the fraud and abuse laws for which our office has enforcement and regulatory authority.

- Our office has been working closely, and is committed to continuing to work closely, with our law enforcement partners and other government agencies to address this issue. We are keenly aware of the need for innovation in business arrangements to fully implement the ACO provisions of the Affordable Care Act (ACA).

- To that end, let me say this: The fraud and abuse rules enforced by our office should not stand in the way of improving quality and reducing costs through ACOs.

- As the Medicare and Medicaid programs incorporate and test new payment and delivery models, there is a need for fresh thinking about program integrity and the type of risks faced by our programs and beneficiaries. The ACA gives the Secretary authority to waive certain fraud and abuse laws as necessary to achieve the goals of the ACO programs. We and our colleagues in the Department of Health & Human Services are looking closely at how the Secretary might exercise this authority most effectively. The waiver authority is a central issue for this afternoon’s portion of the workshop.
We feel very strongly that the goal of ACOs is consistent with the mission of OIG to ensure integrity in Federal health care programs, promote economy and efficiency in program operations, and promote positive beneficiary care and outcomes.

The most effective way to achieve this goal is to work collaboratively with all of our government partners. Today’s workshop is a perfect example of such collaboration and coordination. Only by working together can we collectively ensure that the ACO program is implemented in a way that is meaningful and fulfills the quality and cost containment goals.

Our office has a solid history of collaboration with the industry on a variety of important health care issues. We have worked with numerous sectors of the health care industry to develop compliance program guidance for providers so that they can implement processes to avoid running afoul of the fraud and abuse laws. The upfront input that we receive from the industry in developing these guidance documents has been critical to ensuring that we reflect the current state of health care business practices and operations. We plan to continue our efforts to collaborate with the industry in the ACO context.

Today's workshop is an important step in the government’s and the industry’s joint effort to formulate new health care delivery models that will provide quality health care at lower cost. We are confident that the vast majority of providers interested in ACOs are committed to making them work to achieve these important goals.

Experience teaches that new Federal programs are often vulnerable to a small subset of bad actors intent on taking advantage of the system for their own financial gain. We want to use our enforcement and oversight authorities judiciously to ensure that these few cannot thwart the goals of ACOs, compromise patient care, or inappropriately increase costs to our programs.

Gregory Demske, our Assistant Inspector General for Legal Affairs; Vicki Robinson, our Senior Advisor for Health Care Reform; and other senior staff from our office are here today to learn and participate in this workshop. Input from providers on the front lines of ACO innovation, as
well as from consumers and other interested stakeholders, is essential as we continue to hone our thinking about program integrity in this evolving area. We thank all of you for participating today.

- We would also like to thank our partners from the Department and the FTC for engaging in this effort. We look forward to future opportunities for dialogue and input on these important issues as we move forward. Thank you very much.