

## Report on Medicare Compliance Volume 27, Number 31. September 03, 2018

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By Nina Youngstrom

◆ University of Michigan Health System (UMHS) agreed to pay \$4.3 million to settle allegations it violated the Controlled Substances Act (CSA), the U.S. Attorney's Office for the Eastern District of Michigan said Aug. 30. The Drug Enforcement Administration (DEA) began investigating after two employees—a nurse and an anesthesiology resident—overdosed on opioids at a UMHS hospital, and the nurse died. The DEA allegedly found several CSA violations. UMHS didn't have DEA registrations for 15 off-site ambulatory care locations in Ann Arbor and Southeast Michigan, all of which got narcotics from the pharmacy at the main hospital and dispensed them to patients, the U.S. attorney's office said. Also, "UMHS did not maintain complete and accurate records of certain controlled substances that it received, sold, delivered, or otherwise disposed of, from approximately May 2012 through November 2015," the settlement said. UMHS did not admit liability in the settlement. Although this is the largest civil CSA settlement with a hospital, the DEA is evaluating more hospitals and pharmacies because of the opioid epidemic, and other hospitals have recently settled CSA or related cases (RMC 6/11/18, p. 1). Effingham Health System in Georgia recently paid \$4.1 million. Visit <https://tinyurl.com/yc3evsvk>.

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