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Health System Pays \$910K in CMP Case for CIA 'Reportable Event'

By Nina Youngstrom

After reporting potential violations of the Anti-Kickback Statute to the HHS Office of Inspector General (OIG) while under a corporate integrity agreement (CIA), a health system in Savannah, Georgia, has agreed to pay \$910,000 in a civil monetary penalty (CMP) settlement.

SMHA Healthcare Inc., formerly known as Memorial Health Inc.; SMHA Healthcare Center Inc., formerly known as Memorial Health University Medical Center Inc. (MHUMC); SMHA Health Services Group Inc., formerly known as Provident Health Services Inc.; and SMHA Ventures Inc., formerly known as MPPG Inc., disclosed a “reportable event” as required by its CIA. The health system had entered into a five-year CIA with OIG when it settled a False Claims Act (FCA) case for \$9.9 million for alleged Stark violations in December 2015 with the Department of Justice.^[1]

“The reason this ended up as a CMP settlement is it’s our practice to treat reportable event disclosures similarly to disclosures we get through the Self-Disclosure Protocol,” said Nicole Caucci, deputy branch chief of OIG’s Administrative and Civil Remedies Branch. The potential kickbacks alleged in the CMP settlement with OIG were “self-identified” during SMHA’s internal compliance reviews, she said.

According to the OIG website, providers under CIAs must disclose certain reportable events, including “a substantial overpayment, a matter that a reasonable person would consider a probable violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized; and the employment of or contracting with an excluded individual.”^[2] Reportable events could implicate the civil money penalty laws.

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