



OIG NEWS

For Immediate Release
(202) 619-1343
September 30, 2008

Office of Inspector General
Department of Health and Human Services
330 Independence Avenue, SW.
Washington, DC 20201

OIG Publishes Voluntary Supplemental Compliance Program Guidance for Nursing Facilities

New voluntary guidance will help nursing facilities develop compliance programs that address major Medicare and Medicaid fraud and abuse problems related to poor quality of care, billing Federal health care programs, and kickbacks. The Office of Inspector General (OIG) of the U.S. Department of Health and Human Services announces that the supplemental compliance program guidance (CPG) for nursing facilities appears in the September 30 Federal Register.

The new CPG responds to developments in the nursing facility industry, including significant changes in the way nursing facilities deliver and receive reimbursement for health care services, evolving business practices, and changes in the Federal enforcement environment.

“The new guidance reflects OIG’s increased focus on quality of care for nursing home residents, as well as our longstanding commitment to safeguarding Medicare and Medicaid program funds and beneficiaries through fraud and abuse prevention efforts,” said Inspector General Daniel R. Levinson. “The guidance should serve as a valuable resource for the long term care industry.”

Since 1998, OIG has issued a series of CPGs directed at various health care industry sectors. Each provides comprehensive guidance to promote compliance with Medicare and other Federal health care program rules and regulations. OIG originally published a CPG for nursing facilities in 2000. The new CPG reflects input from public comments received on a draft document published in the Federal Register in April 2008 and provides a roadmap for developing, implementing, and evaluating nursing facility compliance programs.

According to the new CPG, “A successful compliance program addresses the public and private sectors’ common goals of reducing fraud and abuse, enhancing health care providers’ operations, improving quality of health care services, and reducing their overall cost. Meeting these goals benefits the nursing facility industry, the Government, and residents alike.”

A significant goal of the new CPG is fostering quality of care in nursing facilities. The new CPG will help compliance professionals address areas such as staffing, resident care plans, medication management, appropriate use of psychotropic medications, and resident safety. The new CPG emphasizes the importance of submitting accurate claims and discusses issues related to reporting resident case-mix data, therapy services, screening for excluded individuals and entities, and restorative and personal care services. The guidance also urges nursing facilities to consider the risks of improper kickback payments associated with their business arrangements including those involving free goods and services, as well as those with physicians and suppliers.

The guidance, “OIG Supplemental Compliance Program Guidance for Nursing Facilities,” appears in the Federal Register on September 30, 2008. It is also available on OIG’s Web site at http://oig.hhs.gov/fraud/docs/complianceguidance/nhg_fr.pdf.

###