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OIG NEWS

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OIG REPORT HIGHLIGHTS PROGRESS AGAINST WASTE, ABUSE, AND FRAUD

The Department of Health and Human Services (HHS), Office of Inspector General (OIG) today issued to the Department and Congress the Semiannual Report, which details accomplishments from OIG activities and initiatives covering the reporting period April 1 through September 30, 2004.

For all of fiscal year 2004, OIG reported savings to the American taxpayer of almost \$30 billion: \$27.3 billion in implemented recommendations and other actions to put funds to better use; \$754.2 million in audit receivables; \$8.3 million in additional audit recoveries; and \$1.9 billion in investigative receivables. In addition, OIG reported:

- Exclusions of 3,293 individuals and entities for fraud or abuse of Federal health care programs and/or their beneficiaries;
- Convictions of 533 individuals or entities that engaged in crimes against departmental programs; and
- A total of 268 civil actions, which include False Claims Act and unjust enrichment suits filed in district court, Civil Monetary Penalties Law settlements, and administrative recoveries related to provider self-disclosure matters.

OIG continually strives, on every front, to eliminate fraud, waste, and abuse in HHS programs. OIG and Department managers are working together to correct problems and prevent new ones, to improve management, and to make the fullest use of our resources. Highlights from the report include:

- Pfizer Inc., Warner-Lambert Company LLC, and the Parke-Davis Division entered a global settlement for \$430 million plus interest. As part of the settlement, Pfizer subsidiary Warner-Lambert pled guilty to violating the Food, Drug and Cosmetic Act, and Pfizer entered a 5-year corporate integrity agreement with OIG. The settlement resolved allegations that, by marketing the drug Neurontin for off-label uses not approved by the FDA and by other conduct, Warner-Lambert caused the submission of false and/or fraudulent claims to Medicaid.
- OIG published two related inspections on Medicare's reimbursement for wheelchairs. One report found that the program paid significantly higher rates for power wheelchairs compared with suppliers and consumers. The second report, an analysis of power wheelchair reimbursement, found that Medicare is spending an estimated \$178 million for wheelchairs that do not meet Medicare's coverage criteria. OIG recommended that CMS take steps to improve compliance with Medicare's coverage criteria for power wheelchairs.

The Office of Inspector General's Semiannual Report to the Congress is available on the Internet at:
<http://oig.hhs.gov/publications/docs/semiannual/2004/SemiannualFall04.pdf>

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