U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL

Why OIG Did This Audit

Medicare contractors are required to separately account for the Medicare segment pension plan assets based on the requirements of Cost Accounting Standards 412 and 413.

The HHS, OIG, Office of Audit Services, Region VII pension audit team reviews the Medicare segment pension assets to ensure compliance with Federal regulations.

Previous OIG audits found that Medicare contractors did not always correctly identify and update the segmented pension assets.

Our objectives were to determine whether Cahaba Safeguard Administrators, LLC (Cahaba CSA), complied with Federal requirements when (1) implementing the prior audit recommendation to increase the Medicare segment pension assets as of January 1, 2014, and (2) updating the Medicare segment pension assets from January 1, 2014, to January 1, 2017.

How OIG Did This Audit

We reviewed Cahaba CSA's implementation of the prior audit recommendation, its identification of its Medicare segment, and its update of the Medicare segment pension assets from January 1, 2014, to January 1, 2017.

Cahaba Safeguard Administrators, LLC, Properly Updated the Medicare Segment Pension Assets as of January 1, 2017

What OIG Found

Cahaba CSA implemented the prior audit recommendation to recognize $7.654 million as the Medicare segment pension assets as of January 1, 2014. In addition, Cahaba CSA properly updated the Medicare segment pension assets from January 1, 2014, to January 1, 2017. Therefore, the $4.972 million in Medicare segment pension assets that Cahaba CSA identified as of January 1, 2017, were reasonable and correct.

What OIG Recommends and Auditee Comments

Because the $4.972 million in Medicare segment pension assets that Cahaba CSA identified were reasonable and correct, this report contains no recommendations.

Cahaba CSA acknowledged that there were no recommendations in the report and concurred with it.