

# Increasing Scrutiny on CARES Act Compliance

## What Healthcare Providers Can Do To Prepare

The CARES Act has served as a lifeline to many healthcare providers, extending billions of dollars in relief funds across the industry and helping many organizations stay afloat during the COVID-19 pandemic. But with increased spending comes increased scrutiny from the U.S. Department of Justice (DOJ) and the U.S. Department of Health and Human Services' (HHS) Office of Inspector General (OIG).

As scrutiny ramps up, healthcare providers should be aware of the following:

### HOW REGULATORS WILL IDENTIFY VIOLATIONS

DOJ and HHS are using a wide range of tactics, some old and some new, to identify CARES Act violations and the misuse of provider relief funds:



#### HEIGHTENED USE OF DATA ANALYTICS

New data analytics tools allow regulators to mine Medicare claims data and other public data sources to identify potential cases of fraud.



#### SPECIALIZED ENFORCEMENT UNITS

These units allow regulators to efficiently leverage their limited teams of enforcement agents in pursuit of the high-risk lawbreakers



#### QUI TAM (WHISTLEBLOWER) LAWSUITS

The volume of relief funds provided will likely lead to an increase in qui tam (whistleblower) suits. Regulators will leverage data analytics capabilities to identify potentially significant offenses to pursue.

### HOW PROVIDERS CAN PREPARE

Healthcare providers can take a few steps today to help protect themselves from this increased scrutiny. Here are a few ways to get started:

#### CONDUCT INTERNAL AUDITS

Healthcare providers can start by performing internal audits of all COVID-19 relief funds they received. These audits should be ongoing as emerging guidance from regulators continues to evolve. Justification for each expenditure identified should be documented.

#### REASSESS & STRENGTHEN INTERNAL POLICIES

Well thought-out training, policies, and practices for handling employee or patient complaints can help providers reduce their risk of being named in a qui tam lawsuit.

#### INVEST IN DATA ANALYTICS

Healthcare providers can leverage data analytics to improve monitoring and assessment of their own datasets. This will provide a head start to address any issues that a regulator may identify.



### WE CAN HELP YOU AVOID ENFORCEMENT ACTIONS

CARES Act compliance and enforcement actions are not to be taken lightly. Our **Compliance Checklist** will help you get started on the right path, but it is just the beginning. Our experienced CARES Act Compliance Team will help make sure your organization is prepared and protected. We provide guidance on proper policy enhancements, accounting considerations, documentation, training, report/audit preparation, and will help your organization stay fully compliant.

For more information, contact us at [CARESActCompliance@bipc.com](mailto:CARESActCompliance@bipc.com)