

**Question 1: How likely do you think it could be that we would receive an inquiry from the OIG for a potential audit?**

OIG has funding for proactive audits. There are a lot of companies out there, so the odds that you would be audited in a particular year are not that great, but the possibility is definitely out there. We've spoken with manufacturers that have heard directly from OIG, often under the auspices of the work plan and wanting to know how a calculation was performed. It can definitely happen, so you're taking a risk if you're not prepared. It may or may not happen to you or in any given year, but it's something that you'd definitely want to think about and be prepared for.

**Question 2: What's the first step in preparing for the audit?**

If you don't know where your program stands from a government pricing OIG readiness perspective, we recommend you start with an assessment. To clarify the difference between an audit and an assessment, an audit is when you take a deeper dive and go into things like transactional testing with recalculations and parallel calculations of your government pricing. If you don't know where you stand, then you don't want to set yourself up for failure right away by going through a full audit, so you probably want to start with an assessment. Do you have the right policies in place? Are they relevant and up to date with Healthcare Reform? Do the policies and procedures tie into your current performed methodology? Assessing these questions will give you a better idea of where you stand prior to performing a deeper dive audit.

**Question 3: The OIG estimates a \$17 to \$1 return on audit activity. Is there an independent/third party confirmation of this estimate?**

The Department of Health and Human Services provides audit return statistics in its annual Office of Inspector General Online Performance Appendix, the most recent of which is available below.

[http://www.hhs.gov/about/FY2012budget/fy2012\\_hhsoig\\_online\\_performance\\_appendix\\_revised.pdf](http://www.hhs.gov/about/FY2012budget/fy2012_hhsoig_online_performance_appendix_revised.pdf)

This information is also available in the congressional record. We would expect validation of these types of statements to fall under the purview of the Government Accountability Office (GAO), but we were unable to locate any GAO report specifically addressing this reported outcome.