

## 12 Tips in Selecting an Independent Review Organization (IRO) Under a Corporate Integrity Agreement (CIA)

[Richard P. Kusserow](#) | March 2023

### Key Points:

- **Failure to make the right decision can be very costly**
- **IROs conduct compliance, not financial or legal reviews**

The OIG has over 300 active Corporate Integrity Agreements (CIAs) and Integrity Agreements (IAs) in force, with additional ones added regularly. These require engaging an Independent Review Organization (IRO) to ensure ongoing compliance with its terms and requirements including addressing the specific issues that gave rise to the settlement. Selecting an IRO is a critical decision, and providers must consider a wide range of factors. An unqualified IRO whose work is rejected by OIG can aggravate the matter and lead to additional mandates and possible extension of the CIA. In choosing, it is important to understand that the IRO reviews are neither financial in nature nor legal reviews. IRO reviews require experts on claims processing, regulatory standards, and process controls, not accountants or attorneys.

The OIG does not advise on making the decision, but reserves the right to approve or deny those chosen, if found deficient in meeting their guidelines. Choosing the wrong IRO can prove very costly in terms of what they charge, how they perform their services, and results of poor quality of work. Any problems the OIG finds with IRO reports reflect badly on the organization and could aggravate matters and possibly extend the term of the CIA. The following are points to consider when deciding upon an IRO.

1. [Seek firms that are highly experienced](#) in having served as an IRO to ensure effective reporting and communication with both the entity and the OIG. Expecting a firm to have served as an IRO a dozen or more times is not unreasonable.

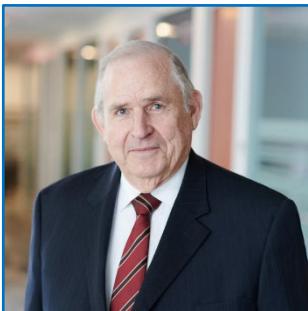
2. Find firms with decades of healthcare experience. The more the better, as this should not be a learning opportunity at the entity's expense.
3. Ensure qualifications and expertise to properly address the specific CIA scope of work, the absence of which can lead to hidden costs in learning the business and may result in credibility concerns with the OIG.
4. Where claims processing reviews are mandated, [check the credentials and experience of the consultant with the OIG RATS/STATS](#) statistical sampling and analysis. CIAs will specify the size of the sample for claims review. Even a small error in this process by the IRO could have significant ramifications.
5. For evaluating claims accuracy, the IRO needs to have certified coders, nurses, and other specialists to assess the coding, processing, claims submission, and medical necessity of the services documented in the medical record.
6. For CIAs requiring a review of arrangements with physicians, ensure the prospective IRO has expertise, credentials, and experience evaluating processes, policies, and internal controls for compliance with the Stark Law and the Anti-Kickback Statute.
7. Require references where the prospective IRO previously served in that capacity regarding whether their work was delivered professionally, competently, timely, reasonably, and without up charging unreasonably over their estimate. Also, seek feedback on the working relationship.
8. Avoid a "bait and switch" wherein the people negotiating to become the IRO are quickly switched to lesser qualified individuals to perform the work. Insist that the prospective IRO specifically identify the key persons assigned to the engagement and their personal qualifications.
9. Require written attestation that they have no conflicts of interest problems, such as (a) having been involved in reviewing any work in which they had a role; (b) not having their work conflict with any previous work they have done with the entity; or (c) other

ongoing or promised work with the entity. Even the appearance of conflict can be a serious problem.

- 10.** Require the IRO to agree in writing that they will meet the OIG called for General Accountability Office (GAO) “[Generally Accepted Government Audit Standards](#)” for operational reviews for independence and objectivity.
- 11.** Fee rates and charges can range considerably, and it is important to consider these costs right alongside experience, professionalism, and industry knowledge.
- 12.** Another important factor to consider is having ongoing communication regarding the work being performed; and secure electronic methods of receiving and sending documentation.

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### **About the Author**

Richard P. Kusserow established Strategic Management Services, LLC, after retiring from being the DHHS Inspector General, and has assisted over 2,000 health care organizations and entities in developing, implementing and assessing compliance programs.