

Senator Asks HHS to Investigate Possible Ethics Violations by CMS Admin Verma

Last month Democratic Senator Ron Wyden (Ore.) followed up on an issue he first raised in April: the question of whether or not Seema Verma (Trump-appointed Centers for Medicare & Medicaid Services [CMS] Administrator) would run into conflicts of interest in her post. Last spring the Senator seemed to be cautioning and questioning. But in January Wyden's rhetoric picked up a sense of urgency and changed to near-accusation (Wyden describes Verma's actions as "possible violations"). Still, public records do not support Wyden's allegations.

Prior to accepting the CMS Administrator post, Verma worked as a consultant in the healthcare field; in that role, she helped Indiana, Iowa, Kentucky, and Ohio create Medicaid expansion plans. In addition, she dispensed Medicaid-related advice to many other states.

Following her confirmation as CMS Administrator in 2017, Verma officially recused herself from involvement in policy issues relating to the following states: Arkansas, Indiana, Iowa, Kentucky, Ohio, South Carolina, and Virginia. Wyden claims that she has violated her conflict of interest ethics agreement by consulting on policy decisions regarding these states.

Senator seeks investigation into Verma's dealings with certain states

In a letter to general counsel for the Department of Health and Human Services (HHS), Wyden stated:

"Recent statements by governors representing multiple states indicate that Administrator Verma has personally and substantially participated in waivers submitted to CMS by states that were clients of her previous consulting business. Such participation appears to violate Administrator Verma's ethics agreement, absent the issuance of written waivers for each of her interactions on a case-by-case basis."

One of the public statements by governors to which Wyden refers was made by Kentucky's Republican Gov. Matt Bevin who said that "Seema Verma, who is the one who oversees this for the U.S., is the one who contacted ... our cabinet at the state level."

Emails with gov't ethics office show Verma obtaining required permission

Refuting Wyden's accusations are emails on the U.S. Office of Government Ethics website that demonstrate that Verma was granted permission to speak with officials from these states. A spokesperson for HHS told *Modern Healthcare* that Wyden was aware of those permissions last year, when he initially raised the question of Verma's potential conflicts of interest.

"As the department explained to Sen. Wyden [on] his earlier inquiries, the administrator received a limited authorization...to participate personally and substantially in matters in which Arkansas, Indiana, Iowa, Kentucky, Ohio, South Carolina or Virginia is a party or represents a party," the spokesperson reported to *Modern Healthcare*.

Outside of that, the spokesperson said, "the administrator does not have a recusal obligation with regard to her former state clients under the Trump Ethics Pledge, so no pledge waiver was needed."

Senator's inquiry asks for detailed response from the HHS



Wyden's letter to the HHS includes the following call to action: "I request that you immediately investigate whether Administrator Verma's actions comply with her agreements and the Federal ethics requirements. I also am seeking information about the steps that Office of General Counsel has taken to ensure that Administrator Verma is complying with her ethics agreements as well as applicable federal laws and regulations."

The Senator has requested a response from the general counsel by February 10th — specifically, a "detailed description" of Verma's role in Medicaid waivers submitted by Arkansas, Kentucky, and Iowa; a "list of communications" that Verma had with all the states designated in the ethics agreements (and this is to include communication with lobbyists, elected officials, and state employees, for example); and an indication of whether Verma sought waivers from the general counsel before the aforementioned communication occurred.

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