

**Congress of the United States**  
**Washington, DC 20515**

March 29, 2019

The Honorable Daniel R. Levinson  
Inspector General  
U.S. Department of Health and Human Services  
Office of Inspector General  
330 Independence Avenue, SW  
Washington, D.C. 20201

Dear Inspector General Levinson:

We are writing to request that you conduct a review of the Centers for Medicare & Medicaid Services (CMS) Administrator Seema Verma's adherence to federal regulations and ethics requirements regarding the awarding of CMS contracts. According to a recent press report, Administrator Verma has approved the awarding of millions of dollars of federal contracts to Republican communications consultants.<sup>1</sup> The report states, "Seema Verma employs a team of private consultants who write her speeches, polish her brand and travel with her across the country."<sup>2</sup> These contracts are a highly questionable use of taxpayer dollars, and call into question the Administrator's commitment to transparency, ethics, and responsible stewardship of CMS resources.

The subcontracts in question may be part of a \$2.25 million contract with Porter Novelli, an international public relations firm. Under Administrator Verma's leadership, CMS reportedly has also spent at least \$1 million on contracts with Republican-affiliated communications consultants. Those Republican consultants include one with whom Administrator Verma reportedly has a professional relationship, one who previously led President Trump's transition team, and another who was hired in the Trump Administration.<sup>3</sup>

The consultants reportedly handled Administrator Verma's media calls and wrote her speeches, both of which are functions that CMS's Office of Communications has historically performed. One of the Republican subcontractors reportedly arranged interviews with Administrator Verma that "focused on emphasizing her personal life and her role as a prominent Republican woman."<sup>4</sup>

Although previous Administrations have used communications consultants to emphasize agency and program initiatives, current and former officials reportedly indicate that "CMS'

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<sup>1</sup> *Key Trump health official spends millions on GOP-connected consultants*, Politico (Mar. 28, 2019).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

current use of communications contractors has gone well beyond the norm.”<sup>5</sup> The Administrator should be spending CMS’s resources to ensure Americans have quality health care – not bolstering her own image. Under Administrator Verma’s leadership, CMS has eliminated tens of millions of dollars in funding that was intended to raise awareness about health coverage options under the Affordable Care Act and funding for Navigators that assist individuals in gaining coverage. Instead of spending resources to improve health care for everyone in the country, Administrator Verma appears to have steered money to political allies in an effort to boost her reputation.

Our committees have longstanding interests in ensuring responsible stewardship of taxpayer dollars and that funds are spent on advancing agency initiatives – not for the personal benefit of agency political leaders and their well-connected associates. Therefore, we ask that you conduct a review to determine whether Administrator Verma’s actions regarding these contracts complied with federal regulations and ethics requirements. We request that your review include a determination of the following:

1. To what extent were all applicable Federal Acquisition Regulation provisions, CMS policies and procedures, and federal ethics requirements appropriately followed for the awarding of these contracts and subcontracts to Porter Novelli, Nahigian Strategies, Pam Stevens, and Marcus Barlow?
2. What were the justification for these contracts and subcontracts, including how and why these consultants were selected, and what was Administrator Verma’s role in selecting these consultants for the contracts and their awarding?
3. What were the total costs of these contracts and subcontracts, including the amount awarded and obligated?
4. To what extent could the work under these contracts be performed by CMS’s own Office of Communications or policy staff?
5. Did any CMS personnel raise concerns about the awarding of these contracts? If so, what were these concerns, and how were they addressed?
6. To what extent has CMS ensured that the awarding of contracts adheres to high ethical standards and is free of undue influence from political appointees?

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<sup>5</sup> *Id.*

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We appreciate your prompt and thorough review of these issues.

Sincerely,



Frank Pallone, Jr.  
Chairman  
House Committee on Energy  
and Commerce



Elijah E. Cummings  
Chairman  
House Committee on Oversight  
and Reform



Ron Wyden  
Ranking Member  
Senate Committee on Finance



Patty Murray  
Ranking Member  
Senate Committee on Health,  
Education, Labor, and Pensions