UNFAVORABLE

OIG WATCH

24-05

Patient travel and fertility preservation subsidies for $2M gene therapies

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What OIG Said

OIG split its opinion: it approved the travel support, but flagged the fertility payments as potential inducement, with no FMV, no defensibility, and no exception.

- ⚠ OIG reviewed a biotech company's plan to offer two types of support to patients prescribed $2M+ gene therapies: (1) travel + lodging + meals, and (2) up to $22,500 for fertility preservation.
- ⚠ The travel support was found FAVORABLE because it was means-tested, clearly scoped, backed by documentation, and designed to remove access barriers, not drive referrals.
- ⚠ The fertility support was deemed UNFAVORABLE: OIG said it likely constitutes prohibited remuneration, could influence product choice, and lacked FMV or commercial reasonableness guardrails.
- ⚠ OIG emphasized that high-dollar patient assistance can cross the line if it isn't independently valued, commercially necessary, and defensible as access-enabling, not steerage.

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Diligence Checklist

What you need to be ready to show in diligence

- ✓ Have clear documentation of how all support payments are structured, capped, and means-tested.
- ✓ Prove support is for access, not loyalty, product selection, or referral pathways.
- ✓ Show that all dollar amounts are independently valued or benchmarked, especially if over $10K.
- ✓ Keep records of efforts to confirm third-party coverage was exhausted before offering support.
- ✓ Do not rely on “financial need” alone, OIG said that’s not enough to justify value transfer.

If you’re offering high-dollar patient support without FMV grounding, commercial necessity, and defensibility, you are squarely in the risk profile OIG flagged as inducement.

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Structure not diligence-ready?

Cabra Consulting helps healthcare organizations make sure compensation and transaction structures are independently valued, clearly scoped, and defensible in diligence.

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