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## Medicare Could Have Saved \$255.1 Million Related to Hospice Services for Certain New Hospice Enrollees

### Why OIG Did This Audit

- The Medicare hospice benefit allows hospice providers to claim Medicare reimbursement for hospice services provided to enrollees with a life expectancy of 6 months or less who have elected hospice care.
- Previous OIG audits found that Medicare paid individual hospice providers for services provided to enrollees who were not eligible for hospice services.
- This audit assessed whether [CMS](#) made Medicare payments for hospice services provided in fiscal year 2021 in accordance with Medicare requirements for certain new hospice enrollees.

### What OIG Found

CMS made Medicare payments to hospices for certain new hospice enrollees who did not meet hospice eligibility requirements. Of the 100 initial certification periods we reviewed, the documentation for 45 did not meet Medicare hospice requirements. Specifically:

- For 21 periods, the clinical information in the enrollee's medical records did not support that the enrollee had a terminal illness, resulting in \$251,067 in unallowable payments.
- For 24 periods, the medical records did not meet hospice eligibility documentation requirements, resulting in \$294,432 in unallowable payments.

Based on our sample results, we estimated that Medicare could have saved \$255.1 million in hospice claim payments associated with the new hospice enrollees in our sampling frame if the hospice Medicare Administrative Contractors (MACs) had eligibility review procedures for enrollees who did not have inpatient or emergency room claims 18 months prior to starting hospice care.

### What OIG Recommends

We recommend that CMS work with the hospice MACs to consider this high-risk area in their hospice eligibility reviews and possibly develop pre- or postpayment review procedures for new hospice enrollees who did not have inpatient or emergency room claims 18 months prior to starting hospice care, which could have saved an estimated \$255.1 million during our audit period.

CMS concurred with our recommendation.