REPORT HIGHLIGHTS

July 2026 | OAS-25-01-004

Connecticut Generally Claimed Medicaid Reimbursement for Clinical Diagnostic Laboratory Services in Accordance With Federal and State Requirements

Why OIG Did This Audit

- Prior OIG audits found that some States did not always claim Federal Medicaid reimbursement for clinical diagnostic laboratory services in accordance with Federal and State requirements. Specifically, the States submitted claims that exceeded the amounts that would have been paid under the Medicare program or the amounts allowed by State regulations.
- We performed this audit because a recent OIG data analysis indicated that certain States, including Connecticut, are at risk for noncompliance with Federal and State requirements.
- This audit examined Connecticut's fee-for-service Medicaid payments for clinical diagnostic laboratory services provided during calendar years 2019 through 2023.

What OIG Found

Connecticut generally claimed Federal Medicaid reimbursement for clinical diagnostic laboratory services in accordance with Federal and State requirements. Specifically, over 99 percent of the fee-for-service Medicaid payments that we audited complied with Federal and State requirements, and less than 1 percent did not or potentially did not comply.

However, for a small number of Medicaid payments the Federal reimbursement that Connecticut claimed exceeded the rates allowed by the Federal and State requirements by $273,485 ($152,728 Federal share) and potentially exceeded the rates allowed by Federal and State requirements by an additional $1,069,983 ($582,301 Federal share).

What OIG Recommends

We made two recommendations to Connecticut, including that it refund $152,728 to the Federal Government and work with CMS to determine whether the potential overpayments of $582,301 complied with Federal and State requirements and refund the Federal share of any overpayments to the Federal Government. The full recommendations are in the report.

Connecticut concurred with our first recommendation. It did not indicate concurrence or nonoccurrence with our second recommendation but stated that it appreciated the opportunity to discuss the recommendation further with CMS.