

REPORT HIGHLIGHTS



September 2026 | OAS-25-07-124

Conflicting CMS Guidance and Federal Statutory Requirements Cost Medicare \$380 Million Over a 6-Year Period for Organs Not Transplanted Into Medicare Enrollees

Why OIG Did This Audit

- Medicare reimbursed Certified Transplant Centers (CTCs) for organ acquisition costs on a cost basis, which included more than \$3 billion for about 39,000 organs in 2023. Federal statute limits Medicare's reimbursement to the cost of acquiring organs used in Medicare-covered transplants (Medicare usable organs).
- Medicare guidance to CTCs is based on the assumption that any organ that a CTC surgically removes and then furnishes to an Organ Procurement Organization or other CTC will be used for a Medicare transplant; however, this is not always the case. Accordingly, Medicare currently shares in the organ acquisition costs for some organs that are not transplanted into Medicare enrollees.
- This audit determined whether Medicare reimbursed CTCs in accordance with Federal statutory and regulatory requirements for the costs of acquiring organs that CTCs reported as Medicare usable organs between 2017 and 2022. We determined the cost to Medicare of reimbursing CTCs for the cost of acquiring organs that were not transplanted into Medicare enrollees.

What OIG Found

Medicare did not, in some instances, reimburse CTCs for organ acquisition costs for organs that CTCs reported as Medicare usable organs in accordance with Federal statutory and regulatory requirements.

- Of the 180 reported Medicare usable organs in our sample, Medicare reimbursed CTCs a total of \$2.8 million for 43 organs that were not used in Medicare-covered transplants and 12 organs that were not transplanted at all. Based on Federal statutory requirements, Medicare should not have reimbursed the costs for these 55 organs. [CMS](#) guidance conflicts with Federal statutory requirements.
- On the basis of our sample results, we estimated that Medicare paid CTCs about \$380 million for the costs of acquiring organs that were not used in Medicare-covered transplants during our 6-year audit period.

In addition, two CTCs could not provide any documentation to support a total of five organs, totaling \$154,210 in unallowable Medicare reimbursement, that they reported as Medicare usable organs.

What OIG Recommends

We recommend that CMS direct the Medicare administrative contractors to recover the \$154,210 paid to the two CTCs that lacked supporting documentation and that CMS revise Medicare guidance to align with Federal statutory requirements to count and report as Medicare usable organs only those organs transplanted into Medicare enrollees. The full recommendations are in the report.

CMS concurred with our first recommendation and did not specifically concur or nonconcur with our second recommendation.