REPORT HIGHLIGHTS

September 2026 | A-05-24-00010

Medicare Advantage Compliance Audit of Specific Diagnosis Codes That HumanaChoice (Contract H5216) Submitted to CMS

Why OIG Did This Audit

- Under the Medicare Advantage (MA) program, CMS makes monthly payments to MA organizations based in part on the health status of enrollees being covered.
- To determine the health status of enrollees, CMS relies on MA organizations to collect diagnosis codes from their providers and submit these codes to CMS. Some diagnoses are at higher risk for being miscoded, which may result in overpayments from CMS.
- This audit of HumanaChoice (an MA organization administered by Humana, Inc.) is part of a series of audits of high-risk diagnosis codes that MA organizations submitted to CMS for use in its risk adjustment program.

What OIG Found

Most of the selected diagnosis codes that HumanaChoice submitted to CMS for use in CMS's risk adjustment program did not comply with Federal requirements.

- For 178 of the 220 sampled enrollee-years, medical records did not support the diagnosis codes and resulted in $669,237 in overpayments.
- On the basis of our sample results, we estimated that HumanaChoice received at least $130.9 million in overpayments for 2020 and 2021.

As demonstrated by the errors found in our sample, HumanaChoice's policies and procedures to prevent, detect, and correct noncompliance with CMS's program requirements could be improved.

What OIG Recommends

We made four recommendations, including that Humana, Inc., refund to the Federal Government the $130.9 million of estimated overpayments and determine, for 212 enrollee-years that we did not review in one high-risk group, whether the medical records in each case support the diagnosis for the unrelated condition and refund any resulting overpayments to the Federal Government. We also recommended that Humana, Inc., identify, for the high-risk diagnoses included in this report, similar instances of noncompliance that occurred after our audit period and refund any resulting overpayments to the Federal Government; and that it continue its examination of its existing compliance procedures to identify areas where improvements can be made to ensure that high-risk diagnosis codes comply with Federal requirements and take the necessary steps to enhance those procedures. The full recommendations are in the report.

Humana, Inc., disagreed with some of our findings and all of our recommendations.