REPORT HIGHLIGHTS

September 2026 | A-04-23-08095

Medicare Hospital Provider Compliance Audit: McLeod Regional Medical Center

Why OIG Did This Audit

- For calendar year 2021, Medicare paid hospitals $182 billion, which represented 46 percent of all fee-for-service payments; accordingly, it is important that hospital payments comply with requirements.
- This audit is part of a series of audits examining hospitals with a high volume of claims previously identified as high-risk for noncompliance.
- McLeod Regional Medical Center (the Hospital) was selected because it submitted a substantial number of potentially high-risk claims to Medicare.

What OIG Found

- Of the 115 inpatient and outpatient claims we reviewed totaling $1,516,496, the Hospital complied with Medicare billing requirements for 98 claims. However, the Hospital did not fully comply with Medicare billing requirements for the remaining 17 claims, resulting in net overpayments of $38,676 from January 1, 2020, though December 31, 2021 (audit period).
- These errors occurred primarily because the Hospital did not always follow its policies and procedures to prevent the incorrect billing of Medicare claims within the selected risk areas that contained errors.

What OIG Recommends

We recommend that the Hospital refund to the Federal government $38,676 in net overpayments, consider conducting internal audits for claims after our audit period based on the risks identified by this audit, and provide additional training regarding Medicare billing requirements. Our complete recommendations are found in the audit report.

The Hospital agreed with most of our findings but did not provide concurrence or nonconcurrence with our recommendations. The Hospital stated it will refund the agreed upon net overpayments and described actions it implemented to address our recommendations.