

REPORT HIGHLIGHTS



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Tennessee Claimed Federal Medicaid Reimbursement for Millions of Dollars in Targeted Case Management Services That Did Not Comply With Federal and State Requirements

Why OIG Did This Audit

- Targeted Case Management (TCM) services assist Medicaid enrollees in gaining access to medical, social, educational, and other types of services.
- Previous OIG audits found that some States did not claim Federal Medicaid reimbursement for some TCM services in accordance with Federal and State requirements.
- This audit examined whether Tennessee claimed Federal Medicaid reimbursement for TCM services during FYs 2021 through 2023 (audit period) in accordance with Federal and State requirements.

What OIG Found

Tennessee claimed Federal Medicaid reimbursement for some TCM services during our audit period that did not comply with Federal and State requirements.

- Of 150 sampled grouped line items, 43 were unallowable because the enrollees did not meet the eligibility criteria for the target group designated in the Tennessee State plan.
- Of these, 13 sampled grouped line items involved enrollees who were not at serious or imminent risk of entering State custody and therefore did not meet the eligibility criteria.
- The remaining 30 sampled grouped line items (of the 43) involved enrollees who had received early intervention case management services. Because Tennessee did not perform an assessment to determine whether these enrollees were at serious or imminent risk of entering State custody, the State incorrectly claimed those services as TCM services for Federal Medicaid reimbursement.

Based on our sample results, we estimated that Tennessee claimed at least \$59.3 million (Federal share) in unallowable Medicaid reimbursement.

What OIG Recommends

We recommend that Tennessee refund \$59.3 million (Federal share) in unallowable Medicaid reimbursement. We also recommend that the State revise its procedures to include a step to verify that enrollees meet the eligibility criteria for an approved target group before it submits claims for TCM services.

Tennessee did not concur with either of our recommendations.