

REPORT HIGHLIGHTS



September 2026 | A-02-24-01013

Medicare Advantage Organizations and Prescription Drug Plans Paid \$72 Million During a 3-Year Period for Services Associated With Excluded Providers or Individuals Convicted of Certain Felonies

Why OIG Did This Data Brief

- [CMS](#) contracts with Medicare Advantage organizations and private prescription drug plans (collectively referred to as plans) to offer Part C and Part D managed care benefits to eligible Medicare enrollees.
- CMS's Preclusion List is a database of providers, suppliers, and prescribers precluded from receiving payments for services provided under Medicare Parts C and D. Providers on the Preclusion List: (1) have been excluded from Federal health care programs, (2) have been convicted of certain felonies, or (3) have been or could have been revoked from the Medicare program for conduct that CMS determined is detrimental to the best interest of the Medicare program.
- We conducted this analysis to identify potential vulnerabilities in CMS's preclusion process related to certain providers whose National Provider Identifiers (NPIs) were revoked from Medicare Parts A and B enrollment. Our analysis covered 1,017 NPIs associated with revoked providers not included on CMS's Preclusion List during calendar years (CYs) 2022 through 2023.

What OIG Found

We identified vulnerabilities in CMS's preclusion process that contributed to plans making payments, totaling \$72 million, for Medicare Part C and Part D services to 249 of the 1,017 revoked NPIs during CYs 2022 through 2024. Specifically:

- There were timing issues and errors in CMS adding or removing providers from the Preclusion List.
- CMS did not include some organizations on the Preclusion List when their owners were excluded or had felony convictions.
- Under current regulations, pharmacies that do not prescribe Part D drugs and only fill prescriptions are not subject to preclusion.

This data brief does not contain any specific recommendations to CMS. However, information in this data brief may be beneficial in the development of future solutions, including Federal regulations and CMS guidance to address vulnerabilities in the preclusion process.