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Wellstar Cobb Hospital Received At Least $1 Million in Medicare Overpayments

Why OIG Did This Audit

- For calendar year 2021, Medicare paid hospitals $182 billion, which represents 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.
- Wellstar Cobb Hospital (the Hospital) was selected because it submitted a substantial number of potentially high-risk claims to Medicare.

What OIG Found

- Of the 104 inpatient claims we reviewed totaling $2.4 million, the Hospital complied with Medicare billing requirements for 89 claims. However, the Hospital did not fully comply with Medicare billing requirements for the remaining 15 claims, resulting in overpayments of $404,074 from January 1, 2020, through December 31, 2021 (audit period).
- We estimated that, of the $11.8 million Medicare paid the Hospital, the Hospital received overpayments of at least $1 million for selected types of inpatient services that did not comply with Medicare requirements during the audit period.
- The errors occurred primarily because the Hospital did not always follow its written 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 the $1 million in estimated 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. The full recommendations are in the report.

The Hospital did not concur with any of our findings or recommendations.