

## Report in Brief

Date: August 2020

Report No. A-05-18-00028

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

Medicaid telemedicine services are health services delivered via telecommunication systems. A Medicaid patient at an originating site uses audio and video equipment to communicate with a health professional at a distant site. Before the COVID-19 public health emergency, Medicaid programs were seeing a significant increase in payments for telemedicine services and expect this trend to continue. This audit, conducted before the COVID-19 public health emergency, is one in a series of audits to determine whether selected States complied with Federal and State requirements when claiming Federal reimbursement for telemedicine services.

Our objective was to determine whether Illinois made payments for Medicaid telemedicine services in accordance with Federal and State requirements.

### How OIG Did This Audit

We reviewed 28,647 Medicaid fee-for-service telemedicine payments, totaling \$722,471 (\$455,769 Federal share), that Illinois made from January 1, 2016, through December 31, 2017. In addition, we reviewed a sample of 100 payments and contacted the billing providers for supporting documentation.

## ILLINOIS CLAIMED UNALLOWABLE TELEMEDICINE PAYMENTS

### WHAT OIG FOUND

Illinois made telemedicine payments that were not in accordance with Federal and State requirements and were therefore unallowable. Of the 28,647 Medicaid fee-for-service telemedicine payments in our population, 22,387 payments were allowable, but the remaining 6,260 payments were unallowable. For 6,205 unallowable payments, the same provider was paid for both the originating site and distant site fee. Fifty-three claims were inaccurately coded as both originating and distant site fees. The remaining two unallowable payments were payments for the same originating site fee in the same day. This noncompliance occurred because Illinois did not give providers formal training on telemedicine billing requirements or adequately monitor compliance. Based on our testing, we determined that Illinois made unallowable payments of \$198,124 (\$124,812 Federal share) during our audit period.

### WHAT OIG RECOMMENDS AND ILLINOIS COMMENTS

We recommend that Illinois refund \$124,812 to the Federal Government, give providers formal training on telemedicine billing requirements, and enhance the monitoring of provider compliance by conducting periodic reviews of telemedicine payments for compliance with billing requirements.

In written comments on our draft report, Illinois concurred with our recommendations and described the actions that it has taken or plans to take to address them.