

Report in Brief

Date: December 2022

Report No. A-05-21-00035

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



Why OIG Did This Audit

Medicaid telehealth refers to the services provided via a telecommunication system. A Medicaid patient at an originating site uses audio and video equipment to communicate with a health professional at a distant site. Medicaid programs saw a significant increase in telehealth services due to the COVID-19 public health emergency.

Our objective was to determine whether Illinois complied with Federal and State requirements when claiming Medicaid reimbursement for telehealth payments during COVID-19.

How OIG Did This Audit

We reviewed 584,492 Medicaid fee-for-service telehealth payments, totaling \$21,052,452 (\$13,980,157 Federal share), that Illinois claimed on their March 1, 2020, through March 1, 2021, Federal financial participation Reports. We analyzed the payments looking for trends in the services provided and categorized any unusual or duplicative billing issues. We researched procedure codes and the types of services that can be performed via telecommunication systems. We also contacted providers and reviewed medical records for 230 payments.

Illinois Generally Complied With Requirements for Claiming Medicaid Reimbursement for Telehealth Payments During COVID-19

What OIG Found

Illinois generally made telehealth payments that were in accordance with Federal and State requirements. Of the 584,492 Medicaid fee-for-service telehealth payments in our population, 583,960 payments were in compliance with the requirements, but the remaining 532 payments were not in compliance with applicable requirements. For 249 payments, the same provider was paid both the originating site and distant site fee. There were 146 payments made as duplicate payments for the same services provided to the same recipient on the same day. Also, 22 of the payments were inaccurately billed as both originating and distant site fees. Finally, providers incorrectly used the telehealth modifier with 35 different procedure codes that are for in-person services. A total of 115 telehealth payments were identified with these codes that could not be performed via telecommunication systems. This noncompliance occurred because the State agency did not adequately monitor compliance. The State agency also did not establish a list of acceptable telehealth procedure codes. Based on our testing, we calculate the unallowable payments totaled approximately \$16,154 (\$9,832 Federal share) during our audit period.

What OIG Recommends and Illinois Comments

We recommend that Illinois refund up to \$9,832 to the Federal Government and enhance the monitoring of provider compliance by conducting periodic reviews of telehealth payments for compliance with requirements. Also, we recommend that Illinois establish a list of acceptable telehealth procedure codes.

Illinois agreed with our findings and provided information on actions that it planned to take to address our recommendations. The actions Illinois described include: (1) reimbursing the Federal Government \$9,832, (2) continuing to develop a quality assurance program to review samples of claims, and (3) implementing edits to prohibit inappropriate procedure codes from being billable.