Noridian Healthcare Solutions, LLC, Did Not Claim Allowable Medicare Nonqualified Costs Through Its Incurred Cost Proposals

What OIG Found
NHS claimed CYs 2009 through 2013 nonqualified costs of $1.7 million for Medicare reimbursement; however, we determined that the allowable nonqualified costs during this period were $3.2 million. The difference, $1.5 million, represented allowable Medicare nonqualified costs that NHS did not claim on its ICPs for CYs 2009 through 2013. NHS did not claim these allowable Medicare nonqualified costs primarily because it did not calculate these costs in accordance with Federal regulations and the Medicare contracts’ requirements.

What OIG Recommends and Auditee Comments
We recommend that NHS work with CMS to ensure that its final settlement of contract costs reflects an increase in Medicare nonqualified costs of $1.5 million for CYs 2009 through 2013.

NHS concurred with our recommendation. NHS stated that it would ensure that its final settlement of contract costs reflected an increase in Medicare nonqualified costs of $1.5 million for CYs 2009 through 2013.