Noridian Healthcare Solutions, LLC, Claimed Some Unallowable Medicare Nonqualified Plans Costs Through Its Incurred Cost Proposals

What OIG Found
NHS claimed CYs 2014 through 2016 nonqualified costs of $1.8 million for Medicare reimbursement; however, we determined that the allowable nonqualified costs during this period were $424,341. The difference, $1.3 million, represented unallowable Medicare nonqualified costs that NHS claimed on its ICPs for CYs 2014 through 2016. NHS claimed these unallowable 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 a decrease in Medicare nonqualified costs of $1.3 million for CYs 2014 through 2016.

NHS concurred with our recommendation. NHS stated that it would work with CMS to ensure that its final settlement of contract costs reflects a decrease in Medicare nonqualified costs of $1.3 million for CYs 2014 through 2016.