

Report in Brief

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



Why OIG Did This Audit

The Medicaid “health home” option allows States to create programs that provide care coordination and care management for beneficiaries with chronic health conditions. Health homes are not physical spaces. Rather, they are a health care model in which providers work together to coordinate and manage beneficiaries’ care at a reasonable cost.

For Federal fiscal year 2019, States claimed Federal Medicaid reimbursement for health home services totaling \$611 million (\$408 million Federal share). Missouri’s program accounted for 4 percent of the Federal share.

Our objective was to determine whether Missouri’s claims for Medicaid reimbursement for payments made to health home providers complied with Federal and State requirements.

How OIG Did This Audit

Our audit covered 1.3 million payments made to health home providers for services paid during calendar years 2016 through 2018, totaling approximately \$98 million (\$62 million Federal share). We reviewed a stratified random sample of 150 payments. For each sampled payment, we reviewed the health home providers’ documentation and beneficiaries’ medical records or other documentation.

Missouri Claimed Federal Reimbursement for \$3.4 Million in Payments to Health Home Providers That Did Not Meet Medicaid Requirements

What OIG Found

Missouri claimed Federal Medicaid reimbursement for some payments made to health home providers that did not comply with Federal and State requirements. Missouri improperly claimed Federal Medicaid reimbursement for 14 of 150 payments. These 14 improper payments primarily involved deficiencies in documentation. Specifically, Missouri’s health home providers did not always document core services, but all other requirements were met.

The improper payments occurred because Missouri did not adequately monitor providers for compliance with Federal and State requirements regarding the maintenance of medical records that documented the health home services that the providers furnished to beneficiaries.

On the basis of our sample results, we estimated that Missouri improperly claimed at least \$3.4 million in Federal Medicaid reimbursement for payments made to health home providers.

What OIG Recommends and Missouri Comments

We recommend that Missouri refund \$3.4 million to the Federal Government and improve its monitoring of the health home program to ensure that health home providers comply with Federal and State requirements for maintaining documentation to support the services for which the providers billed and received payments.

Missouri addressed our second recommendation by concurring that the health home programs should be monitored. Missouri also described its monitoring and training activities for health home providers. Missouri did not agree with our first recommendation and disagreed with our findings. Missouri said that the rejected sampled payments complied with the State plan and Federal documentation requirements and that these payments did not violate State policy. Missouri also said that we had not adequately explained our basis for rejecting these payments, and added that extrapolation was inappropriate in this audit. After reviewing Missouri’s comments and the additional documentation it provided, we maintain that our findings and recommendations are valid. Federal Medicaid requirements state that Federal reimbursement is available only for allowable actual expenditures with adequate supporting documentation. Federal courts have consistently upheld statistical sampling and extrapolation as a valid means to determine overpayment amounts in Medicare and Medicaid.