
What OIG Found
NGS claimed PRB costs of $5.9 million for Medicare reimbursement, through its ICPs, for CYs 2015 through 2018; however, we determined that the allowable PRB costs during this period were $5.3 million. The difference, $636,197, represented unallowable PRB costs that NGS claimed on its ICPs for CY 2015 through 2018. This overstatement occurred primarily because NGS based the allocable PRB costs on an estimated amount.

What OIG Recommends and Auditee Comments
We recommend that NGS work with CMS to ensure that its final settlement of contract costs reflects a decrease in Medicare PRB costs of $636,197 for CYs 2015 through 2018.

NGS concurred with our recommendation and said that it would work with CMS to reflect the final allocable costs in its ICPs upon final settlement of CYs 2015 through 2018.