REPORT HIGHLIGHTS

December 2024 | A-04-21-07095

Medicare Advantage Compliance Audit of Specific Diagnosis Codes That Triple-S Advantage, Inc., (Contract H5774) Submitted to CMS

Why OIG Did This Audit

- Under the Medicare Advantage (MA) program, the Centers for Medicare & Medicaid Services (CMS) makes monthly payments to MA organizations according to a system of risk adjustment that depends on the health status of each enrollee.
- To determine the health status of enrollees, CMS relies on MA organizations to collect diagnosis codes from its providers and submit these codes to CMS. Some diagnoses are at a higher risk for being miscoded, which may result in overpayments from CMS.
- For this audit, we reviewed one MA organization, Triple-S Advantage, Inc. (Triple-S), and focused on nine groups of high-risk diagnosis codes. Our objective was to determine whether selected diagnosis codes that Triple-S submitted to CMS for use in CMS's risk adjustment program complied with Federal requirements.

What OIG Found

- Most of the selected diagnosis codes that were submitted by Triple-S to CMS for use in CMS's risk adjustment program did not comply with Federal requirements. For 204 of the 281 sampled enrollee-years, the diagnosis codes that Triple-S submitted to CMS were not supported by the medical records and resulted in $296,758 in overpayments.
- As demonstrated by the errors in our sample, Triple-S's policies and procedures did not prevent, detect, and correct noncompliance with CMS program requirements as mandated by Federal regulations.

What OIG Recommends

We recommend that Triple-S:

1. refund to the Federal Government the $296,758 in net overpayments;
2. identify, for the high-risk diagnoses included in this report, similar instances of noncompliance that occurred before or after our audit period and refund any resulting overpayments to the Federal Government; and
3. continue to examine its existing compliance procedures to identify areas where improvements can be made to ensure that diagnosis codes that are at high risk for being miscoded comply with Federal requirements (when submitted to CMS for use in CMS's risk adjustment program) and take the necessary steps to enhance those procedures.

Triple-S did not concur with all of our recommendations.