HHS Office of Inspector General

REPORT HIGHLIGHTS

June 2025 | A-05-22-00017

Medicare Home Health Agency Provider Compliance Audit: HRS Home Health

Why OIG Did This Audit

- In calendar year 2023, Medicare paid home health agencies (HHAs) about $16 billion for home health services provided to about 2.8 million people enrolled in traditional Medicare. In that year, nearly 10,000 HHAs participated in Medicare.
- CMS determined through its Comprehensive Error Rate Testing program that the 2023 improper payment error rate for home health claims was 7.7 percent, or about $1.2 billion.
- This audit report, part of a nationwide series of home health audits, examined whether HRS Home Health complied with Medicare requirements.

What OIG Found

HRS Home Health complied with Medicare billing requirements for 80 of the 100 home health claims we reviewed. For the remaining 20 claims, HRS Home Health incorrectly billed Medicare for claims with unsupported codes and for skilled services that did not meet requirements, including plan of care requirements.

- Fifteen claims did not meet billing and coding requirements, resulting in overpayments totaling $2,291.
- Four claims did not meet plan of care requirements but did not result in an overpayment.
- One claim did not meet skilled need requirements but did not result in an overpayment.

Based on our sample results, we estimate that HRS Home Health received overpayments of at least $100,696 for the audit period.

What OIG Recommends

We recommend that HRS Home Health: (1) refund the $100,696 in estimated overpayments to the Medicare program; (2) consider conducting one or more internal audits or investigations for claims after our audit period based on the risks identified by this audit to identify any similar overpayments the provider might have received and return any identified overpayments to the Medicare program; and (3) strengthen its review of medical record documentation to ensure compliance with Medicare billing requirements.

In written comments on our draft report, HRS Home Health did not fully concur with our first recommendation to refund the estimated overpayment and responded to our second and third recommendations with actions it has taken or will take to address and prevent the types of findings identified in our audit.