HHS Office of Inspector General

REPORT HIGHLIGHTS

September 2025 | A-02-22-01018

Seventeen of Twenty-Five Selected Hospitals Did Not Comply or May Not Have Complied With the Provider Relief Fund Balance Billing Requirement

Why OIG Did This Audit

- Congress appropriated $178 billion to HHS to provide funds to eligible providers for health care-related expenses or lost revenue attributable to COVID-19 under the Provider Relief Fund (PRF) program. HHS was responsible for initial PRF program oversight and policy decisions, and HRSA administered the PRF program.
- Under the PRF terms and conditions, if a patient had health insurance and sought COVID-19 treatment from an out-of-network provider that received PRF payments, the provider would not seek to collect out-of-pocket payments greater than what the patient would have otherwise been required to pay if the care had been provided by an in-network provider. (We refer to this as the "balance billing requirement.")
- This audit assessed whether selected hospitals that received PRF payments complied with the balance billing requirement for COVID-19 inpatients.

What OIG Found

- Of the 25 selected hospitals, 17 billed patients an amount that did not comply or may not have complied with the balance billing requirement. For example, one hospital billed a patient $6,000 when the patient's insurance carrier had waived all patient cost-sharing responsibility.
- Hospitals stated that they were uncertain how to comply with the requirement because HRSA did not provide sufficient guidance. If HRSA developed and provided early and detailed guidance, hospitals might not have improperly billed selected patients a total of $637,035 for services provided.

What OIG Recommends

We made two recommendations to HRSA, including that it determine whether the selected hospitals made refunds to patients identified in this audit for billings that did not or may not have complied with the balance billing requirement and perform postpayment reviews of hospitals for compliance with the balance billing requirement as part of its ongoing program integrity procedures. The full recommendations are in the report.

HRSA concurred with both recommendations and described actions that it plans to take in response to the recommendations.