REPORT HIGHLIGHTS

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Medicare Home Health Agency Provider Compliance Audit: Alternate Solutions Homecare of Dayton

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 Alternate Solutions Homecare of Dayton (Alternate Solutions) complied with Medicare requirements.

What OIG Found

For the audit period (calendar years 2022 and 2023), Alternate Solutions complied with Medicare billing requirements for 96 of the 100 sampled home health claims we reviewed. For the remaining four claims, Alternate Solutions incorrectly billed Medicare for services that did not meet billing and coding requirements and comprehensive assessment reporting requirements. Alternate Solutions stated that as a result of staffing shortages and human error, their internal system safeguards failed to detect the errors.

Alternate Solutions received overpayments totaling $940 for the claims in the sample.

What OIG Recommends

We made two recommendations to Alternate Solutions, including that it (1) refund the $940 in overpayments to the Medicare program, and (2) consider conducting one or more internal audits or investigations for claims after our audit period to identify any similar overpayments and return any identified overpayments to the Medicare program.

Alternate Solutions concurred with our recommendations and provided detailed corrective actions it has taken to address and prevent the types of billing and comprehensive assessment errors identified during our audit.