

REPORT HIGHLIGHTS



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Fourteen of Thirty Selected Indian Health Service and Rural Providers Did Not Comply or May Not Have Complied With Terms and Conditions and Federal Requirements for Expending Provider Relief Fund Payments

Why OIG Did This Audit

- Congress appropriated \$178 billion to [HHS](#) to provide funds to eligible providers for health care-related expenses or lost revenues attributable to COVID-19. These funds were distributed under the Provider Relief Fund (PRF) program. HHS was responsible for initial PRF program oversight and policy decisions, and [HRSA](#) administered the PRF program.
- Providers receiving PRF payments were to ensure that the payments were: (1) used to prevent, prepare for, or respond to COVID-19; (2) used for health care-related expenses or lost revenues attributable to COVID-19; (3) not used to cover expenses or losses reimbursed by other funding sources; and (4) not used to pay salaries in excess of a certain threshold or to pay for certain prohibited activities.
- This audit is part of a series reviewing PRF payments to various provider types. Specifically, this audit assessed whether 30 selected Indian Health Service (IHS) and rural providers expended taxpayer funds in accordance with Federal and program requirements.

What OIG Found

- Of the 30 selected IHS and rural providers we reviewed, 14 providers claimed a total of \$70.6 million of unallowable PRF expenditures, and 2 of those providers also inaccurately calculated or could not support \$19.7 million of lost revenues. These 14 providers received a total of \$570.8 million in PRF payments. The remaining 16 providers used PRF payments for allowable expenditures and lost revenues.
- These deficiencies occurred because although providers attested to the PRF terms and conditions and HRSA provided continuously updated guidance to PRF recipients, some providers made clerical errors in their reporting of expenditures and did not always correctly interpret HRSA guidance or maintain documentation to support reported expenditures.

What OIG Recommends

We made three recommendations to HRSA, including that it require the selected providers to return any unallowable expenditures and lost revenue amounts to the Federal Government or ensure that the providers properly replace these unallowable expenditures with unreimbursed lost revenues or eligible expenses. The full recommendations are in the report. HRSA concurred with our recommendations.