REPORT HIGHLIGHTS

June 2026 | A-03-23-00001

Lehigh Valley Hospital Received At Least $17.8 Million in Medicare Overpayments

Why OIG Did This Audit

- For calendar year 2021, Medicare paid hospitals $182 billion, which represents 46 percent of all fee-for-service payments; accordingly, it is important that hospital payments comply with requirements.
- This audit is part of a series of audits examining hospitals with a high volume of claims previously identified as high-risk for noncompliance.
- Lehigh Valley Hospital (the Hospital) was selected because it submitted a substantial number of potentially high-risk claims to Medicare.

What OIG Found

- The Hospital complied with Medicare billing requirements for 62 of the 100 inpatient and outpatient claims we reviewed. However, the Hospital did not fully comply with Medicare billing requirements for the remaining 38 claims, resulting in net overpayments of $433,723 from October 1, 2020, through September 30, 2022 (audit period).
- On the basis of our sample results, we estimated that the Hospital received net overpayments of at least $17.8 million for the audit period.
- These errors occurred primarily because the Hospital did not always follow its written policies and procedures to prevent the incorrect billing of Medicare claims within the selected risk areas that contained errors.

What OIG Recommends

We recommend that the Hospital refund to the Federal government the $17.8 million in estimated net overpayments, consider conducting internal audits for claims after our audit period based on the risks identified by this audit, and provide additional training regarding Medicare billing requirements. Our complete recommendations are found in the audit report.

The Hospital disagreed with most of our findings and all of our recommendations.