REPORT HIGHLIGHTS

June 2026 | A-04-22-07101

Jefferson Regional Medical Center Received at Least $4.7 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.
- We selected Jefferson Regional Medical Center (the Hospital) because it submitted a substantial number of inpatient and outpatient claims that we identified as high risk for erroneous billing.

What OIG Found

- Of the 100 inpatient and outpatient claims we reviewed totaling $1,313,299, the Hospital complied with Medicare billing requirements for 67 claims. However, it did not fully comply with requirements for the remaining 33 claims, resulting in net overpayments of $348,677 from July 1, 2019, though June 30, 2021 (audit period).
- We estimated that, of the $17.5 million Medicare paid the Hospital, the Hospital received net overpayments of at least $4.7 million for selected types of inpatient and outpatient services that did not comply with Medicare requirements during 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.

What OIG Recommends

We made three recommendations, including that the Hospital refund to the Federal government $4.7 million in estimated net overpayments. The full recommendations are in the report.

The Hospital disagreed with most of our findings. It did not concur with our first recommendation to refund the estimated overpayment, did not concur with our second recommendation, and did not indicate concurrence or nonconcurrence with our third recommendation.