

## Report in Brief

Date: April 2020

Report No. A-07-18-04109

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

The Medicaid “health home” option allows States to create programs that provide care coordination and care management for beneficiaries with chronic health conditions. Health homes are not physical spaces. Rather, they are a healthcare model in which providers work together to coordinate and manage beneficiaries’ care at a reasonable cost.

For Federal fiscal year 2016, States claimed Federal Medicaid reimbursement for health home services totaling \$750 million (\$431 million Federal share). Iowa’s program accounted for 3 percent of the Federal share.

Our objective was to determine whether Iowa’s claims for Medicaid reimbursement for payments made to health home providers complied with Federal and State requirements.

### How OIG Did This Audit

Our audit covered 795,000 payments made to health home providers for services provided during calendar years 2013 through 2016, totaling approximately \$107 million (\$92 million Federal share). We selected and reviewed a stratified random sample of 130 payments. For each sampled payment, we reviewed the health home providers’ documentation and beneficiaries’ medical records or other documentation.

## Iowa Inadequately Monitored Its Medicaid Health Home Providers, Resulting in Tens of Millions in Improperly Claimed Reimbursement

### What OIG Found

For 62 of the 130 payments, Iowa improperly claimed Federal Medicaid reimbursement for payments made to health home providers that did not comply with Federal and State requirements. These 62 improper payments primarily involved deficiencies in documentation. Specifically, Iowa’s health home providers did not document core services, integrated health home outreach services, diagnoses, and enrollment with providers. In addition, Iowa’s providers did not maintain documentation to support higher payments for intense integrated health home services and did not ensure that beneficiaries had full Medicaid benefits.

The improper payments occurred because Iowa did not adequately monitor providers for compliance with certain Federal and State requirements.

On the basis of our sample results, we estimated that Iowa improperly claimed at least \$37.1 million in Federal Medicaid reimbursement for payments made to health home providers.

### What OIG Recommends and Iowa’s Response

We recommend that Iowa refund \$37.1 million to the Federal Government. Iowa should also improve its monitoring of the health home program to ensure that health home providers comply with Federal and State requirements for documenting the services for which the providers billed and received payments. We also recommend that Iowa revise its State Medicaid plan to define documentation requirements and that Iowa educate providers on these requirements.

Iowa concurred with our second, third, and fourth recommendations and described corrective actions that it had taken or planned to take. Iowa said that it was improving its monitoring of the health home program and that it was revising the State plan. Iowa did not concur with our first recommendation and disagreed with most of our findings. After reviewing Iowa’s comments and the additional documentation it provided, we revised some of our findings for this final report. These revisions reduced the dollar amount in our first recommendation. Otherwise, we maintain that our findings and recommendations remain valid.