

Provider Relief Fund: HHS-OIG Audit Calls for Further Post-Payment Reviews of Providers

Insights

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In October 2023, the Department of Health and Human Services (HHS) Office of Inspector General (OIG) released a [report](#) on the distribution and oversight of Provider Relief Fund payments by HHS and the Health Resources and Services Administration (HRSA). Within this report, the OIG concluded that HHS and HRSA were generally effective in ensuring that PRF payments were rapidly disbursed to support providers facing severe economic hardship during the national emergency. However, the OIG also identified errors made by the agencies in calculating payments and identifying ineligible providers when rapidly disbursing these payments. The OIG further provided recommendations to HRSA to complete a [targeted provider post-payment review](#) accordingly.

Specifically, the OIG found that HHS's oversight of the PRF program was effective for ensuring that most of the approximately \$39.3 billion in automatic PRF payments were properly calculated and disbursed to eligible providers. However, HHS did not ensure that approximately \$2.16 billion in round 1 and round 2 automatic PRF payments were properly calculated. Additionally, HHS failed to identify all ineligible providers (e.g. providers on CMS's Preclusion and Medicaid Termination lists) and failed to prevent more than \$247 million in payments from being disbursed to these ineligible providers.

As a result of the OIG's review and findings, the OIG has recommended that HRSA, which is responsible for day-to-day oversight of the PRF program, perform post-payment quality control reviews of selected providers and recoup any overpayments. Providers should be aware that HRSA has either already completed, or will shortly be completing, the following post-payment reviews of providers described in the OIG report:

- "108 renal dialysis providers that attested to and kept automatic PRF payments totaling \$58 million;
- 58 providers with multiple subsidiary organizations that attested to and kept automatic PRF payments totaling \$130 million;
- 642 providers that attested to and kept \$165 million in automatic PRF payments for which they were not eligible"

HRSA has already begun this process. HRSA completed its review of renal dialysis providers in December 2020 and is currently completing reviews of providers with multiple subsidiary organizations and ineligible providers. HRSA anticipates finalizing these post-payment reviews by the end of the 2023 calendar year.

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Following these reviews, HRSA will seek repayment for overpayments, as appropriate.

Further, HRSA has stated that it will continue to use its established program integrity procedures to identify and address payment issues. However, we anticipate the processes and audit system relating to the PRF program to change as HRSA adapts to a more formalized post-payment review process.

Overall, OIG and HRSA are continuing to scrutinize provider use of PRF funds and may seek repayment for overpayments in the future. **Providers should be on the lookout for potential notices from HRSA and OIG regarding provider use of PRF funds.**

Key Resources:

HRSA guidance regarding PRF reports and audits can be found within [HRSA PRF Reporting Requirements and Auditing](#) and [HRSA Provider Relief Fund Reporting and Auditing Questions](#)

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