



OIG Finds that New Jersey Improperly Claimed Federal Medicaid Reimbursement for Hospice Services

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The Department of Health and Human Services, Office of Inspector General (OIG) recently determined that New Jersey claimed federal Medicaid reimbursement for some hospice services that did not comply with state and federal requirements. Of the 150 beneficiary-months included in the OIG's random sample, 42 did not comply with federal and state requirements. On the basis of the sample results, the OIG determined that New Jersey improperly claimed at least \$8.4 million in federal Medicaid reimbursement. The OIG recommended that the state agency refund \$8.4 million to the federal government.

The OIG's review covered over 20,000 beneficiary-months for which New Jersey claimed Medicaid reimbursement totaling over \$83 million (approximately \$41.5 million federal share) for hospice services for the period of January 1, 2007 through July 31, 2008. A beneficiary-month includes all hospice services provided to a beneficiary during one month.

The deficiencies identified in the sampled beneficiary-months were as follows:

1. No physician's certification (17 deficient beneficiary-months)
2. No medical record (12 deficient beneficiary-months)
3. Election statement requirements not met (11 deficient beneficiary-months)
4. Services not provided in accordance with plan of care (6 deficient beneficiary-months)
5. Aide not licensed or supervised (4 deficient beneficiary-months)
6. Plan of care not reviewed and updated (1 deficient beneficiary-month)

The lack of a physician's certification was the most common deficiency identified by the OIG. New Jersey regulations require a physician's certification from the patient's attending physician and the hospice physician for the initial 90-day period of hospice care. For the second 90-day period, a physician's certification from the hospice physician or a member of the interdisciplinary team is required. For each subsequent 60-day period, certifications from both the patient's attending and hospice physicians are required. There were no applicable physician's certifications for 17 of the 150 beneficiary-months included in the OIG's sample.

The OIG noted that the deficiencies occurred because the state agency did not monitor hospices for compliance with certain federal and state requirements until after the OIG's audit period, when it implemented a post-payment review process for hospice services.

The complete OIG report, which was released on May 8, 2015, is available [here](http://oig.hhs.gov/oas/reports/region2/21101014.pdf).¹

¹ <http://oig.hhs.gov/oas/reports/region2/21101014.pdf>.

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