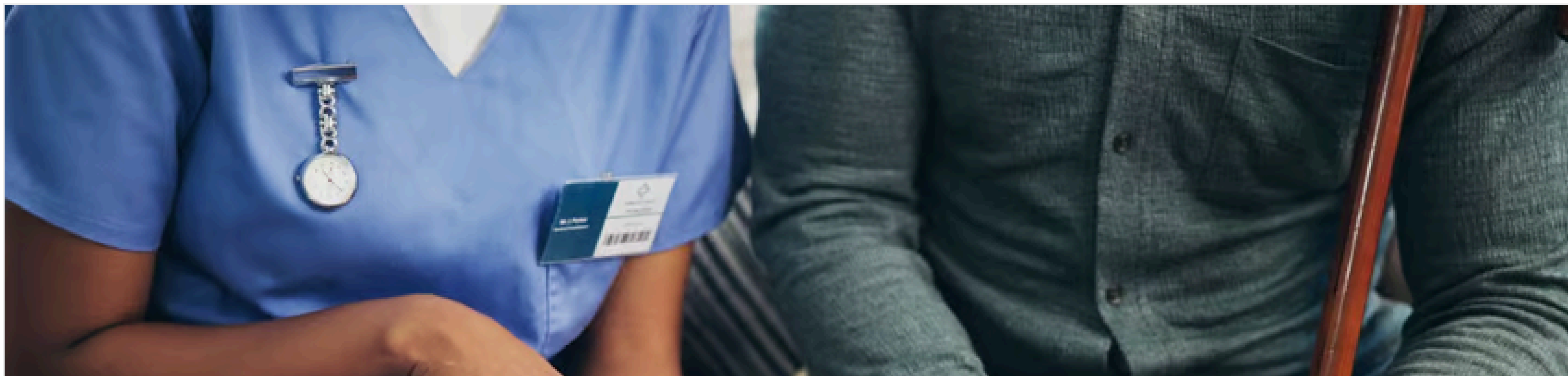
PAYERS

Medicare Advantage plans received billions from Medicare for home visits. The feds are skeptical

By **Noah Tong**

Oct 24, 2024 3:30pm

Upcoding | Medicare Advantage | HHS Office of Inspector General (OIG) | UnitedHealth Group



UnitedHealth Group dismissed a new federal watchdog report, saying most at-home visits don't result in increased risk adjustment payments and UnitedHealth performs well in Centers for Medicare & Medicaid Services audits. (Getty Images/Jacob Wackerhausen)

Medicare Advantage (MA) insurers, namely industry titans UnitedHealth Group and Humana, could be using health risk assessments and chart reviews to inflate payments from Medicare through upcoding, according to a federal watchdog report.

An estimated $7.5 billion in risk-adjusted payments was pocketed by MA insurers when diagnoses were only found on chart reviews but no other service records. At-home visits and chart reviews make up $4.2 billion of the total payments from the government to MA insurers in fiscal year 2023, yet at-home visits make up just 13% of all chart reviews in 2022, the report (https://oig.hhs.gov/documents/evaluation/10028/OEI-03-23-00380.pdf) (PDF) from the Department of Health and Human Services Office of Inspector General (OIG) found.

There were no follow-up visits, procedures or tests provided to 1.7 million enrollees, leading the feds to believe the diagnoses were incorrect or members were not adequately treated.

Private insurers received greater payments from at-home reviews than other types of chart reviews. MA companies generated $1,869 on average in payments from at-home visits, versus just $365 from facility-based chart reviews.

Of the $7.5 billion in risk-adjusted payments, 20 companies received 80% (or $6 billion) of the funds yet only treat half of MA enrollees. These companies received a share of payments that exceeded their percentage of enrollees by more than 25%, the report explained.

UnitedHealth Group earned $3.73 billion in payments, by far the most of any other health plan. The insurer dismissed the report, saying most at-home visits don't result in increased risk adjustment payments and UnitedHealth performs well in Centers for Medicare & Medicaid Services (CMS) audits.

"A misleading, narrow and incomplete view of risk adjustment data is being used to draw inaccurate conclusions about the value of in-home care for America's most vulnerable seniors in Medicare Advantage," a UHG spokesperson told Fierce Healthcare. "The 45–60 minute in-home visits provided by highly trained and board-certified advanced practice clinicians are among the most comprehensive and thorough assessments of a patient's health and physical environment available in the healthcare system, helping to identify and drive needed follow-on care for the vast majority of the patients with whom we engage."

Humana received $1.71 billion in risk-adjustment payments.

"These assessments complement and support the care provided by primary care physicians and patients are always referred back to their physicians for follow-up care," a Humana spokesperson said. "We will continue to work closely with CMS and policymakers to improve health risk assessment transparency and accuracy measures and to ensure the highest standards of care and compliance."

Rounding out the top five payment recipients are Cigna ($237 million), SCAN Health Plan ($128 million) and Alignment Healthcare ($60 million). These insurers did not immediately respond to a request for comment.

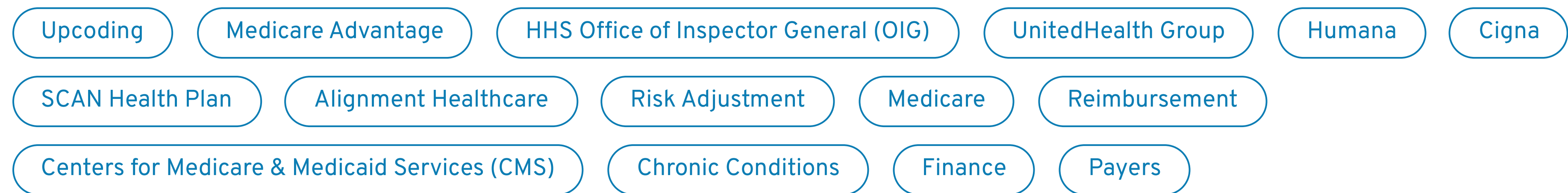
The report follows an investigation from The Wall Street Journal in July that claimed UnitedHealthcare and Humana make their members appear sicker (https://www.fiercehealthcare.com/payers/how-feds-should-handle-rampant-insurer-upcoding) through at-home visits and chart reviews, leading to $50 billion of unnecessary reimbursement from Medicare. Many of these patients did not receive treatment for these conditions. The two insurers rejected the analysis at the time.

OIG told CMS it should create more restrictions for diagnoses reported on at-home chart reviews and start conducting audits on reported diagnoses. CMS did not agree with these recommendations, but the agency did agree to identify whether certain types of conditions lend themselves to chart review diagnosis misuse.

Only 13 conditions drove 75% of the $7.5 billion in risk-adjusted payments, with nearly all conditions listing at-home visits as the primary type of chart review. Vascular disease led the pack with $967 million in payments, followed by major depressive disorders, immunity, morbid obesity and chronic obstructive pulmonary disease.

Certain conditions, like diabetes with chronic complications and rheumatoid arthritis, were overwhelmingly common during at-home health risk assessments.

The feds continue to call on CMS to pay closer attention to MA insurers that receive the most funds in risk-adjusted payments. In 2023, CMS found $12.8 billion (https://www.cms.gov/files/document/fy-2023-medicare-part-c-error-rate-findings-and-results.pdf-0) (PDF) in overpayments from Medicare to private insurers because of overly diagnosed individuals.



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