



OIG report finds Ohio Department of Medicaid made payments for deceased beneficiaries

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A recent report issued by the U.S. Department of Health & Human Services, Office of Inspector General (OIG), entitled "[Ohio Medicaid Managed Care Organizations Received Capitation Payments After Beneficiaries' Deaths](#)," found that the Ohio Department of Medicaid (ODM) made capitation payments totaling \$90.5 million on behalf of deceased beneficiaries.

ODM pays managed care organizations (MCOs) to provide covered health care services in return for a monthly fixed payment for each enrolled beneficiary (capitation payment). OIG's objective in conducting the review was to determine whether ODM made capitation payments on behalf of deceased beneficiaries.

ODM did not always identify and process Medicaid beneficiaries' death information according to the OIG's report. Although Ohio's eligibility systems regularly interfaced with federal data exchanges that identify dates of death (DODs), the OIG found that county caseworkers did not always receive notification that beneficiaries had died.

OIG recommended that ODM:

1. Refund \$38 million to the federal government.
2. Identify and recover unallowable payments made to MCOs during OIG's audit period on behalf of deceased beneficiaries, which OIG estimates to be at least \$51.3 million.
3. Identify capitation payments made on behalf of deceased beneficiaries before and after OIG's audit period and repay the

federal share of amounts recovered.

4. Ensure that the eligibility system, Ohio Benefits, alerts county case workers of the beneficiaries' DODs and that DODs are recorded in a timely manner to prevent unallowable payments.

While not stating whether it agreed or disagreed with OIG's recommendations, in its response to the report, ODM did provide proposed improvements to enhance the identification and change in the status of deceased beneficiaries.

It remains to be seen what the impact of this report will be on the MCO community and whether there will be any indirect effect on Ohio health care providers.

Authors

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