

OIG Increases Focus on Medicaid Personal Care Services

Article By:

Health Law

Last week the **U.S. Department of Health and Human Services** Office of Inspector General (“OIG”) released a spotlight [report](#) demonstrating its increased focus on **Medicaid** personal care services. Personal care services are nonmedical services provided to assist with activities of daily living (e.g., bathing, dressing, light housework, medication management, meal preparation, transportation). The cost of personal care services is on the rise. In 2011, Medicaid personal care services totaled approximately \$12.7 billion, which is a 35% increase since 2005. The OIG report outlines the trends, vulnerabilities, and recommendations for improvement for personal care services.

The OIG’s recent report is not the first time the OIG has taken an interest in personal care services. The OIG noted that over the past six years, the OIG has issued 23 reports on personal care services and conducted numerous investigations involving personal care services fraud. The OIG has repeatedly found that personal care services payments were improper because the services were not provided in compliance with state requirements, unsupported by documentation, provided during timed periods in which beneficiaries were in institutional stays reimbursed by Medicare/Medicaid, and/or provided by attendants who did not meet state qualification requirements. The OIG has also historically found inadequate controls to ensure appropriate payment and quality of care.

The OIG’s report notes an increasing volume of fraud involving personal care services, making it a top issue for the OIG’s Office of Investigations and many state Medicaid Fraud Control Units. In response, the OIG provided the following recommendations to CMS:

- More fully and effectively use CMS’ regulatory oversight and monitoring of Medicaid personal care services programs, including promulgating regulations regarding:
 - Attendant qualification standards;
 - Operational guidance for claims documentation, beneficiary assessments, plans of care, and supervision of attendants; and
 - CMS and state ability to monitor billing and quality by requiring states to (i) either enroll all personal care services attendants as providers or required all attendants to register with state Medicaid agencies and assign each attendant a unique identifier and (ii) require that all personal care services claims include specific dates of service and identity of the attendant.
- Issue guidance to states regarding adequate prepayment controls.
- Consider whether additional controls are needed.
- Provide states with data for identifying overpayments for personal care services claims during

periods of time when beneficiaries are receiving institutional care paid for by Medicare/Medicaid as well as potential instances of fraud, waste, and abuse.

The focused attention on personal care services means that providers of personal care services may see an increase in audits. There could also be an increase in documentation requirements. Providers would be well advised to review their practices and procedures now to determine whether they would hold up to the scrutiny of a Medicaid audit. A podcast released with the OIG's report is available [here](#).

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