

# REPORT HIGHLIGHTS



June 2025 | A-02-22-01003

## Eleven of Thirty Selected Hospitals Did Not Comply With Terms and Conditions and Federal Requirements for Expending Provider Relief Fund Payments

### Why OIG Did This Audit

- Congress appropriated \$178 billion to HHS for the Provider Relief Fund (PRF), which provided reimbursement to eligible providers for health care-related expenses or lost revenue attributable to COVID-19. HHS was responsible for initial PRF program oversight and policy decisions, and [HRSA](#) administered the PRF program.
- Providers receiving PRF payments were to ensure that the payments were: (1) used to prevent, prepare for, or respond to COVID-19; (2) used for health care-related expenses or lost revenues attributable to COVID-19; (3) not used to cover expenses or losses reimbursed by other funding sources; and (4) not used to pay salaries in excess of a certain threshold or to pay for certain prohibited activities.
- This audit is part of a series reviewing PRF payments to various provider types. Specifically, this audit assessed whether 30 selected hospitals expended taxpayer funds in accordance with Federal and program requirements.

### What OIG Found

- Of the 30 selected hospitals we reviewed, 10 hospitals claimed a total of \$63 million of unallowable PRF expenditures and 2 hospitals inaccurately reported \$645.6 million of lost revenues. These hospitals (11, including 1 hospital that had more than 1 deficiency) received a total of \$3.8 billion in PRF payments. The remaining hospitals used PRF funds for allowable expenditures and lost revenues.
- These deficiencies occurred because although hospitals attested to the PRF terms and conditions and HRSA provided continuously updated guidance to PRF recipients, the hospitals made clerical errors in their reporting of expenditures and did not always correctly interpret HRSA guidance, maintain documentation to support reported expenditures, or have procedures to verify the accuracy of lost revenue calculations.

### What OIG Recommends

We made two recommendations to HRSA, including that it require the selected hospitals to return any unallowable expenditures and lost revenue amounts to the Federal Government or ensure that the hospitals properly account for these expenditures and lost revenues. HRSA concurred with our recommendations.