



Improper Payments in Medicare and Medicaid Over Five Years Enough to Fund Medicaid for One Entire Year

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May 25, 2016

Medicare and Medicaid have, for years, been listed as “[high-error programs](#)” by the federal government because of each of their high rates of improper payments. Improper payments include payments of an incorrect amount or payments that should not have been made at all. Over the past five years, [Medicaid's](#) annual improper payment has averaged 7.5 percent, while Medicare's has averaged over 10 percent. In fact, these two programs have been responsible for [over half of all improper payments](#) made by the federal government over the past five years. The chart below shows the total annual federal expenditures for Medicare Fee-for-Service, Medicare Advantage, and Medicaid, including the amount of improper payments for each program each year. The total amount of improper payments made by just these programs over the last five years— \$349.2 billion—is more than what the federal government spends on Medicaid in an entire year.

