



MONROE COUNTY BOARD OF COMMISSIONERS MONROE COUNTY COURTHOUSE

100 South Main Street

Waterloo, Illinois 62298

Phone: 618-939-8681, ext. 214 Fax: 618-939-5132

***** FOR IMMEDIATE RELEASE *****

February 12, 2026

Monroe County Board of Commissioners Disclose Findings of Oak Hill Nursing Home Medicare Billing Investigation

Waterloo, IL – The Monroe County Board of Commissioners have disclosed details of a comprehensive, three-year investigation into allegations of Medicare billing irregularities at Oak Hill Nursing Home.

The investigation was initiated in February 2023, following a whistleblower report submitted to then County Board Chairman Dennis Knobloch and State's Attorney Ryan Webb.

An internal review into the whistleblower allegations quickly revealed evidence of significant problems, prompting the County Board to order a seven-year forensic audit of medical billing records. The audit was conducted by Armanino LLP, an outside auditor specializing in long-term care billing issues. Records from 2016 through 2022 were examined. The total cost of the audit was \$265,624.09.

The forensic audit revealed a pattern of severe billing irregularities, dating back to 2016, including:

- **Misappropriation of Excess Medicare Payments:** Auditors noted that the medical biller improperly moved hundreds of thousands of dollars in excess Medicare payments between resident accounts.
- **Manipulation of Billing Software:** Auditors observed unusual and unexpected billing and payment entries in the billing software to allow for excess payments to be moved between resident accounts.
- **False Reporting:** Inaccurate quarterly reports were filed with Medicare, falsely stating that no excess payments had been received by the nursing home.
- **Missing Records:** Auditors observed several "blank record" entries in the billing software that had no supporting documentation.

The County Board of Commissioners also ordered a review of other internal operations and uncovered serious compliance issues. Following the discovery of these issues, auditors, consultants and attorneys assisting Monroe County unanimously recommended that the County cease management of the facility.

The decision was primarily driven by financial realities:

- **Prohibitive Costs:** Medicare-required controls and oversight would significantly increase expenses. These requirements would necessitate hiring additional accountants, attorneys, an independent board of directors, and a new administrator, as well as overhauling financial and clinical software to comply with continually evolving industry regulations.
- **Exacerbated Financial Losses:** Mandatory compliance costs would significantly worsen Oak Hill's financial condition.
- **Taxpayer Burden:** Increased operating costs at Oak Hill would ultimately be shouldered by Monroe County taxpayers through increased real estate taxes.

Out of concern of losing Medicare funding and to ensure the long-term viability of Oak Hill Nursing Home for the next generation, the Monroe County Board of Commissioners made the decision that it was time for the County to exit the nursing home business. After an exhaustive search for a new operator in the Spring and Summer of 2025, the Monroe County Board of Commissioners decided to transfer Oak Hill operations to Accolade Healthcare.

The transfer of operations and reimbursement of excess payments is a condition of the County's offer to settle the Medicare billing issue.

Once Medicare has confirmed receipt of our self-disclosing certificate regarding the billing issue, a copy will be made available to the public.

The County Board of Commissioners will also forward documentation related to this investigation to the U.S. Attorney's Office.

***** END OF RELEASE *****