# Surviving a Medicare Audit

*American Academy of Family Physicians*

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## Presented By

First Coast Service Options, Inc.

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Provider Customer Service Program



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## Acronym List

- ADR – Additional documentation request
- CBR – Comparative billing report
- CDC – CERT documentation contractor
- CD – Compact disc
- CERT – Comprehensive error rate testing program
- CHIP – Children's Health Insurance Program
- CMS – Centers for Medicare & Medicaid Services
- CPT® – Current procedural terminology
- CRC – CERT review contractor
- DVD – Digital versatile disc
- E/M – Evaluation and management
- esMD – Electronic submission of medical documentation
- FFS – Fee-for-service
- HHS – Health and Human Services

## Acronym List (Cont.)

- HIH – Health information handlers
- IMRT – Intensity modulated radiation therapy
- LCD – Local coverage determination
- MA – Medicare advantage plan
- MAC – Medicare administrative contractor
- MACRA – Medicare Access and CHIP Reauthorization Act of 2015
- MLN® – Medicare Learning Network
- MR – Medical review
- MUE – Medically unlikely edits
- NCCI – National correct coding initiative
- OIG – Office of Inspector General
- PAP – Positive airway pressure
- PCA – Progressive corrective action
- PPACA – Patient Protection and Affordable Care Act
- RA – Recovery auditor



## Acronym List (Cont.)

- SMRC – Supplemental medical review contractor
- SPOT – Secure provider online tool
- TOB – Type of bill
- ZPIC – Zone program integrity contractor



## Agenda Items

- Are you prepared?
- Medicare improper payments
- Medicare's claim review programs
  - Medicare Administrative Contractor (MAC)
    - Medical review (MR)
  - Comprehensive Error Rate Testing (CERT) program
  - Recovery Audit (RA) program
  - Zone Program Integrity Contractor (ZPIC)
  - Supplemental Medical Review Contractor (SMRC)
- Online resources
- Questions and answers



## Learning Objectives

At the conclusion of this session you will be able to

- Determine importance of being Medicare compliant
- Define Medicare improper payments
- Identify contractors who can review your claims
- Implement processes to be proactive in your practice
- Utilize online resources to stay informed



Are You Prepared?



## Why Prepare Now?

- Patient Protection and Affordable Care Act (PPACA), section 6401
  - Mandated establishment of compliance program for health care providers enrolled in Medicare and Medicaid
  - Health and Human Services (HHS) to define "core elements" for compliance plans
  - Current mandatory compliance programs required for
    - Nursing facilities
    - Medicare Advantage (MA) managed care
    - Prescription drug (Part D) plan entities

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# Medicare Improper Payments

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Comprehensive Error Rate Testing (CERT) Error Rate 2015

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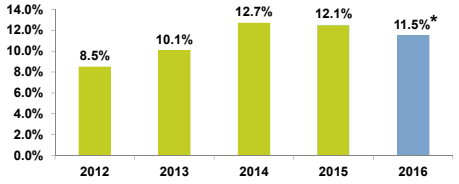
- National improper payment rates
  - Reference: https://paymentaccuracy.gov/tracked/medicare-fee-service-2015

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## 2015 National Medicare Fee-For Service (FFS) Error Rates

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| Service Type | Improper Payment Rate | Improper Payment Amount |
|---|---|---|
| Inpatient Hospitals | 6.2% | $7.0B |
| Durable Medical Equipment | 39.9% | $3.2B |
| Physician/Lab/Ambulance | 12.7% | $11.5B |
| Non-Inpatient Hospital Facilities | 14.7% | $21.7B |
| Overall | 12.1% | $43.3B |

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## Medicare's Claim Review Contractors

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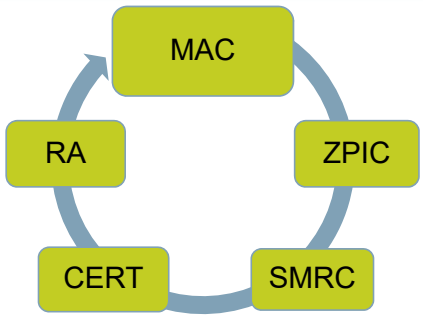


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# Medicare's Claim Review Programs

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Medicare's Claim Review Programs

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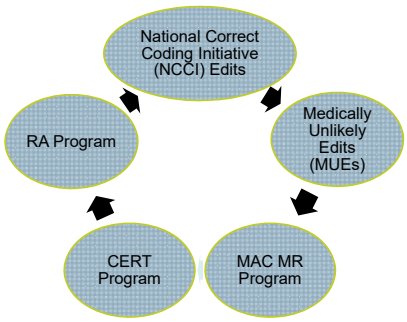


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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Types of Reviews

- Prepayment reviews
  - NCCI edits
    - Code pairs that should not report together based on policy
  - MUEs
    - Maximum units of service that provider would report for single beneficiary on single date of service
  - MR program
- Post-payment reviews
  - CERT program
  - RA program
  - MR program

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## Types of Reviews (Cont.)

- Non-complex
  - Do not require a clinical review of medical documentation
- Complex
  - Require licensed professional who review additional requested documentation associated with a claim

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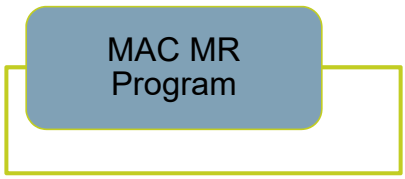


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## Progressive Corrective Action (PCA)

- Data-Driven
  - CERT results
  - Analysis of billing patterns and trends
  - RA findings
  - Other data Sources
- Corrective actions are targeted based on data analysis findings
  - Probe reviews
    - Prepayment or postpayment
    - Widespread or provider specific

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## PCA (Cont.)

- Prepayment reviews
  - Provider Specific
  - Service Specific
- Provider education/feedback
  - MAC informs provider of appropriate billing procedures
  - Widespread education
- Local Coverage Determination development or revision
  - Prepayment review edits developed based on LCD
- Statistically-valid sampling of claims

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## Examples of First Coast Reviews

- Automated medical review
  - Pacemaker editing with diagnosis billed without modifier SC
  - Current procedural terminology (CPT®) codes 33206 – 33208
  - All specialties
- Complex medical review
  - Critical care services CPT® 99291
  - All specialties
- LCD procedure to diagnosis
  - L36393 – Controlled substance monitoring and drugs of abuse testing
  - All provider types

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## Example of First Coast Reviews (Cont.)

- Widespread probe review
  - CPT® 99214 office/outpatient visit, established
  - Dates of service under review
    - 08/01/15 – 01/31/16
  - Part B Florida specialties
    - Internal medicine
    - Family practice
    - Cardiologist
- Notice of medical review topics
  - http://medicare.fcso.com/Medical_review/273195.asp



## Responding to Additional Documentation Request (ADR)

- 45 days for receipt of documentation
  - Electronic submission of medical documentation (esMD)
  - Fax
  - Compact disc (CD) or digital versatile disc (DVD)
  - Regular mail
    - To address indicated in the ADR letter
  - Respond via secure provider online tool



CERT Program



## CERT Error Categories

| Type of Error | Description |
|---|---|
| No documentation | Provider or supplier fails to respond to repeated requests for the medical records or they do not have the requested documentation. |
| Insufficient documentation | Submitted medical documentation is inadequate to support payment for the services billed, or a specific documentation element that is required as a condition of payment is missing (for example, a physician signature on an order). |
| Medical necessity | There is adequate documentation in the medical records to make the informed decision that the services billed were not medically necessary based upon Medicare coverage policies. |
| Incorrect coding | Billed service unbundled; higher/lower level of evaluation and management service; incorrect number of units |
| Other | Error doesn't fit in any other category |



## CERT Contractors

- CERT review contractor (CRC)
  - AdvanceMed
    1530 East Parham Road
    Richmond, VA 23228
    Phone: 804-264-1778
- CERT documentation contractor (CDC)
  - Livanta
    9090 Junction Drive, Suite 9
    Annapolis Junction, MD 20701
    Phone: 888-779-7477 or 301-957-2380
    Fax: 240-568-6222



## Responding to CERT Request

- 60 days for receipt of documentation
  - esMD
  - Fax
    - 240-568-6222
  - CD and/or mail
    CERT Documentation Office
    Attn: CID # _____
    9090 Junction Drive, Suite 9
    Annapolis Junction, MD 20701
- CERT provider website
  - https://www.certprovider.com/

RA Program





## RA Process

- Does not review claims previously reviewed by another entity
- Analyze claims data using their own proprietary software
  - Identify claims that clearly or likely contain improper payments
  - RA requests medical documentation
  - Reviews claim and medical record
  - Makes determination as to whether claim is overpayment, underpayment, or correct payment





## RA Regions

## Responding to RA Request

- 45 days for receipt of documentation
  - esMD
    - Direct electronic connection with HealthPort (800-737-2585)
  - CD, DVD, USB
  - Mail
  - Fax
- Health Port connection
  - esMD gateway
  - 800-737-2585





ZPIC





## ZPIC Functions

- Primary goal
  - Investigate suspected fraud, waste and abuse
  - Perform medical review
  - Perform data analysis
  - Identify need for administrative actions such as payment suspensions and prepayment or auto-denial edits
  - Refer cases to law enforcement for consideration and initiation of civil or criminal prosecution

## Responding to ZPIC Request

- Documentation to be submitted for
  - Prepayment review
    - Within 45 calendar days
  - Post-payment review
    - Within 30 calendar days





## ZPIC Regions

| ZPIC | Zone | States in Zone |
|---|---|---|
| Safeguard Services (SGS) | 1 | California, Hawaii, Nevada, American Samoa, Guam, and the Mariana Islands |
| AdvanceMed | 2 | Washington, Oregon, Idaho, Utah, Arizona, Wyoming, Montana, North Dakota, South Dakota, Nebraska, Kansas, Iowa, Missouri, Alaska |
| Cahaba | 3 | Minnesota, Wisconsin, Illinois, Indiana, Michigan, Ohio, Kentucky |
| Health Integrity | 4 | Colorado, New Mexico, Texas, and Oklahoma |
| AdvanceMed | 5 | Arkansas, Louisiana, Mississippi, Tennessee, Alabama, Georgia, North Carolina, South Carolina, Virginia, West Virginia |
| Under Protest | 6 | Pennsylvania, New York, Delaware, Maryland, D.C., New Jersey, Massachusetts, New Hampshire, Vermont, Maine, Rhode Island, Connecticut |
| Safeguard Services (SGS) | 7 | Florida, Puerto Rico, Virgin Islands |





SMRC





## SMRC

- Strategic Health Solutions, LLC
  - Performs medical review projects in accordance with CMS regulations and
    - CMS Program Integrity Manual
    - CMS Provider Compliance Group
    - Division of Medical Review and Education
  - Responsible for notifying CMS of identified improper payments and noncompliance with documentation requests.





## Responding to SMRC Request

- 45 days for receipt of documentation
  - esMD
  - Fax
    - (855) 219-1799
  - Mail (paper copies or CD)
    Strategic Health Solutions, LLC
    4211 South 102nd Street
    Omaha, NE 68127
    Attn: Supplemental Medical Review Contract
  - Customer service
    - (888) 963-5527





Knowledge is Power

## Important Reminders

- Meet ADR timelines for responses
- Educate your staff on processes
- Have a compliance plan
- Conduct internal audits
- Keep current on
  - Medicare regulations
  - CMS quarterly provider updates
  - OIG work plan
  - Contractor review types
- Request comparative data from your MAC if available

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Online Resources

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

First Coast Service Options Inc.
medicare.fcso.com
medicareespanol.fcso.com

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## Medicare Speaks 2016

Register now at fcsouniversity.com

Tallahassee
November 2-3

Centers for Medicare & Medicaid Services
www.cms.gov

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## CMS Resources (Cont.)

- Claims review programs booklet
  - https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MCRP_Booklet.pdf
- Compliance program policy and guidance
  - https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ComplianceProgramPolicyandGuidance.html

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## CMS Resources (Cont.)

- Health Information Handlers (HIH)
  - http://www.cms.gov/Research-Statistics-Data-and-Systems/Computer-Data-and-Systems/ESMD/Review-Contractors.html
- Information on esMD
  - www.cms.gov/esMD
- Medicare Quarterly Provider Compliance Newsletter archive
  - http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MedQtrlyCompNL_Archive.pdf

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## CMS Resources (Cont.)

- Medicare Learning Network® (MLN) provider compliance
  - https://www.cms.gov/outreach-and-education/medicare-learning-network-mln/mlnproducts/providercompliance.html

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Other Resources

- 2016 Office of Inspector General (OIG) work plan
  - http://oig.hhs.gov/reports-and-publications/archives/workplan/2016/oig-work-plan-2016.pdf
- CBR contractor releases
  - http://www.cbrinfo.net/

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Summary of Today's Topics

### Today we have

- Determined importance of being Medicare compliant
- Defined Medicare improper payments
- Identified contractors who can review your claims
- Interpreted processes to be proactive in your practice
- Displayed online resources to help you stay informed

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Question and Answer Session

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WHEN EXPERIENCE COUNTS & QUALITY MATTERS

## Thank You for Participating

- First Coast values your feedback
  - Please complete the evaluation form before leaving

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