

New Medicare Audit Issues Identified for California and States in RAC Region D

By Eugene R. Long, Jr., King & Ballow Attorney & Healthcare Practice Member
elong@kingballow.com

Medicare participating providers located in Recovery Audit Contractor Region D (which covers most U.S. west and midwest states and territories) may be audited for seven payment issues identified as potential overpayments.

HealthDataInsights, Inc. (HDI) which is the recovery audit contractor (RAC) for Region D has obtained approval from the Centers for Medicare & Medicaid Services (CMS) to audit the following seven issues for potential Medicare overpayments: Neulasta, newborn pediatric CPT codes billed for patients exceeding the age limit, once in a lifetime procedures, excessive units – untimed codes, excessive units – blood, excessive units – bronchoscopy, and excessive units IV hydration. Provider Medicare billings dated on or after October 1, 2007 are subject to audit review. More information on these issues is available at <http://racinfo.healthdatainsights.com/Public/NewIssues.aspx>.

HDI indicates these audit issues will be conducted throughout Region D which covers the states of Alaska, Arizona, California, Hawaii, Iowa, Idaho, Kansas, Missouri, Montana, North Dakota, Nebraska, Nevada, Oregon, South Dakota, Utah, Washington, and Wyoming, as well as the territories of Guam, American Samoa, and Northern Marianas. HDI's website is <http://racinfo.healthdatainsights.com/home.aspx>

All Medicare participating providers (not just those in Region D) should be aware of these issues and take steps now to ensure they are prepared to respond if audited by the RAC for their region. Most of the issues above which were approved by CMS for HDI to audit were also previously approved for Connolly Consulting Associates, Inc., the RAC for providers in Region C. Therefore, providers in other states should be alerted to these issues and ensure they are in compliance.

A RAC may not begin audits of providers for complex review issues until those issues have been approved by CMS and posted on the RAC's website. Since the approval of issues by CMS indicates a concern for potential overpayments in a region, similar concerns may exist with respect to other regions. Providers need to prepare now for possible audits.

Previously, our posts dated July 20, 2009 and July 27, 2009 provided background and information on the RAC program and steps that can be taken to prepare for such audits. These posts are available at:

http://www.kingballow.com/Publications_files/Healthcare/Are%20you%20ready%20for%20RACs.pdf

http://www.kingballow.com/Publications_files/Healthcare/Connolly%20outreach.pdf

CMS and RACs have commenced outreach sessions with providers throughout the country. A schedule of upcoming session dates and locations is available at:

<http://www.cms.hhs.gov/RAC/Downloads/CMS%20Provider%20Outreach%20Schedule.pdf>

It is to a provider's advantage to establish mechanisms to detect and correct improper payments. Doing so, will prevent recoupment, save time, and ensure that providers are more effective in succeeding with respect to RAC challenges of legitimate payments. King & Ballow attorneys, located at its offices here in California and in Nashville, are available to assist providers with respect to such challenges.

For more information contact: Eugene R. Long, Jr., King & Ballow Attorney & Health Care Practice Member, elong@kingballow.com, phone (858) 597-6000.

For more posts of interest to health care professionals go to:

www.kingballow.com/healthcare.php

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