

# Payment Matters®

Update on Medicare and Medicaid Payment Issues

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## New Compliance Tool from the Centers for Medicare and Medicaid Services

By: [Howard L. Sollins](#)

Medicare providers and suppliers have had available to them a number of resources to identify those issues that are of interest and concern to the federal government, including the Office of Inspector General's annual workplan, compliance guidance, billing alerts and similar materials. Commencing in October, 2010, CMS will also publish a newsletter, called the *Medicare Quarterly Provider Compliance Newsletter*. The stated goal of this publication is to "advise physicians, suppliers, and other [fee for service] providers about how to avoid common billing errors and other erroneous activities when dealing with the Medicare Program."

The first edition of the newsletter is available on the CMS website at

[http://www.cms.gov/MLNProducts/downloads/MedQtrlyComp\\_Newsletter\\_ICN904943.pdf](http://www.cms.gov/MLNProducts/downloads/MedQtrlyComp_Newsletter_ICN904943.pdf).

CMS intends to use the newsletter to:

- Highlight the consequences of billing error and noncompliance;
- Provide summary information about claims processing, medical review, program integrity and other compliance issues; and
- Describe the problems that may occur, CMS actions to educate providers, and recommendations for provider responses.

In generating this guidance, CMS will use information gathered by the Office of Inspector General, Government Accountability Office, Recovery Audit Contractors, Program Safeguard Contractors, Zone Program Integrity Contractors, and Medicare Administrative Contractors (MACs). Issues of potential concern identified in the first issue include:

- Inpatient Hospitals and Skilled Nursing Facilities failing to submit requested documentation;
- Other Services with Excessive Units – Units Billed Exceeded the Number Approved per Current Procedural Terminology/Healthcare Common Procedure Coding System (CPT/HCPCS) Code Descriptions;

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- Inpatient Hospital Services – Respiratory System Diagnosis with Ventilator Support: Principal Diagnosis on the Claim Did Not Match the Principal Diagnosis in the Medical Record;
- Other Cardiac Pacemaker Implantation (DRG 116) – Not Medically Necessary to Receive Care in Inpatient Setting;
- Inpatient Hospital Services – Heart Failure and Shock (DRG 127) Criteria for Inpatient Care Not Met;
- Other Drug Codes – Incorrect Number of Units Billed;
- Inpatient Hospital Services – Medical Record Did Not Include Sufficient Documentation; and
- Physician Pharmaceutical Injectables – Incorrect Procedure Codes and/or Number of Units Billed.

#### **Ober Kaler's Comments**

In each example, CMS offered guidance on avoiding the stated problem and included recommendations for provider action. We recommend that providers and suppliers include documented review and consideration of such this new CMS guidance as an integral element of their ongoing compliance efforts.