

# ***How Things Work: Medicare's Medical Review Program***

## ***Part Deux***

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J4 MAC Medical Director**

**March 21,2011**

# *Agenda*

- Contracting Reform
- Medicare's Functional Environment – State of the Medicare Program Integrity Non-union
  1. RAC
  2. CERT
  3. ZPIC
  4. TrailBlazer MR Program



## The Battle of San Jacinto

April 21, 1836

# CERT Findings 2010

*Education Makes the Difference*

*Education Makes the Difference*

*Education Makes the Difference*

Please refer to slides from any of my talks  
from last 4 years

# ZPIC Audit Findings

*Education Makes the Difference*

*Education Makes the Difference*

*Education Makes the Difference*

???

# TrailBlazer MR Audit Findings

*Education Makes the Difference*

*Education Makes the Difference*

*Education Makes the Difference*

Please refer to slides from any of my talks  
from last 10 years

# CERT 2011 Problem List

*Education Makes the Difference*

*Education Makes the Difference*

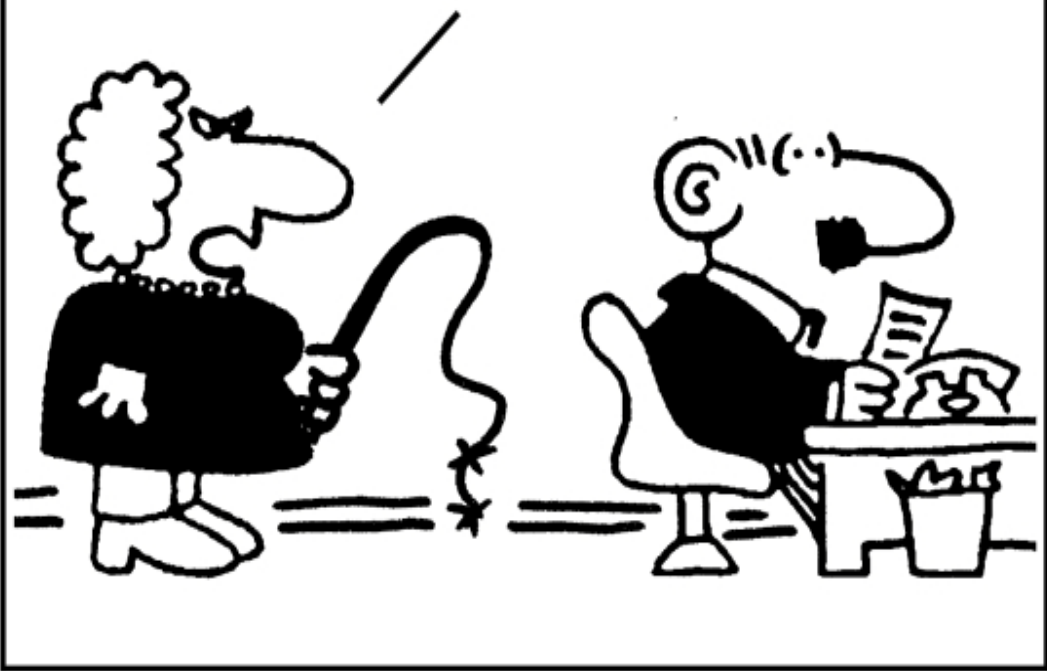
*Education Makes the Difference*

Please refer to slides from any of my talks  
from last 5 years





THE BEATINGS  
WILL CONTINUE.  
UNTIL MORALE  
IMPROVES!



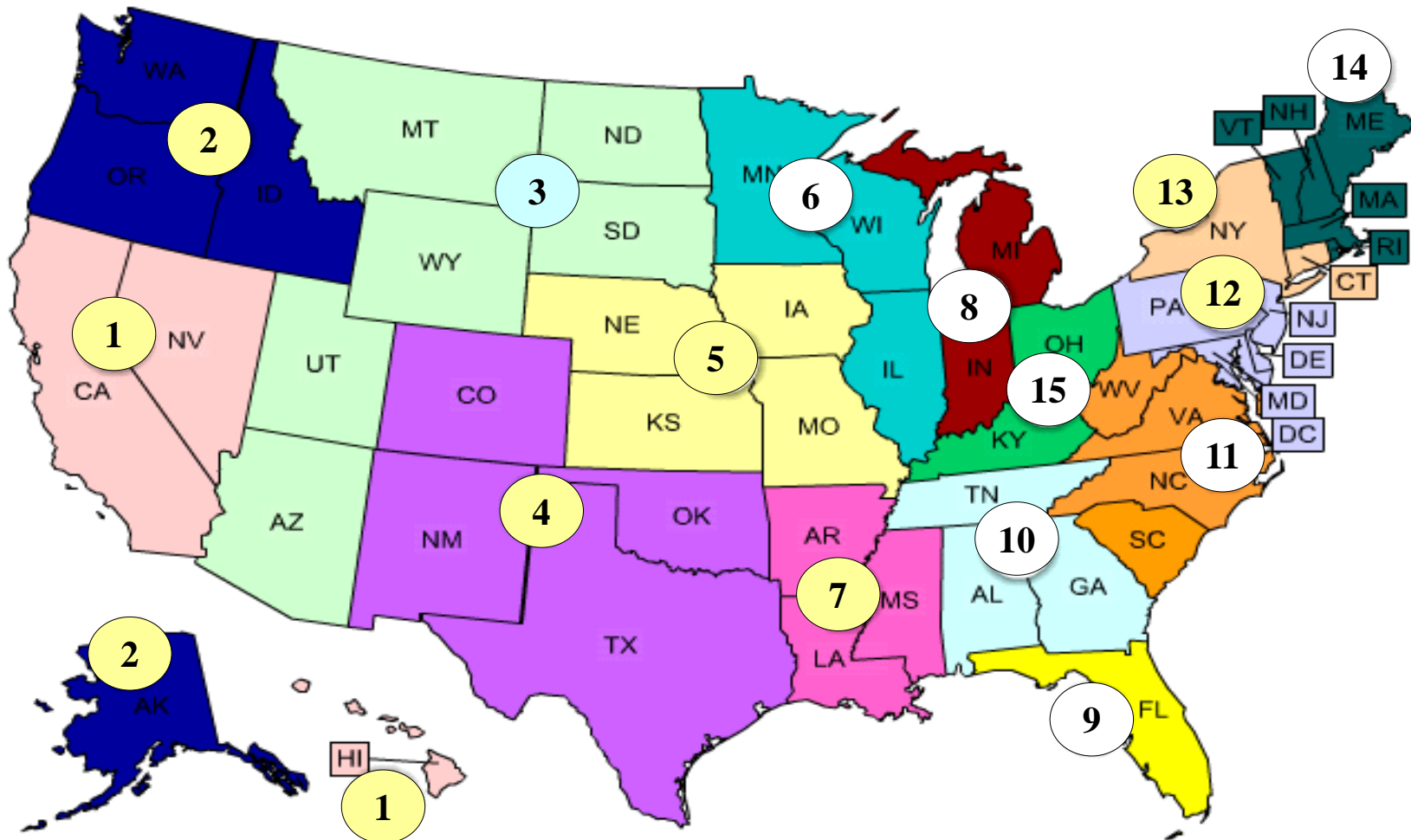
# Medicare Contracting Reform

Education Makes the Difference

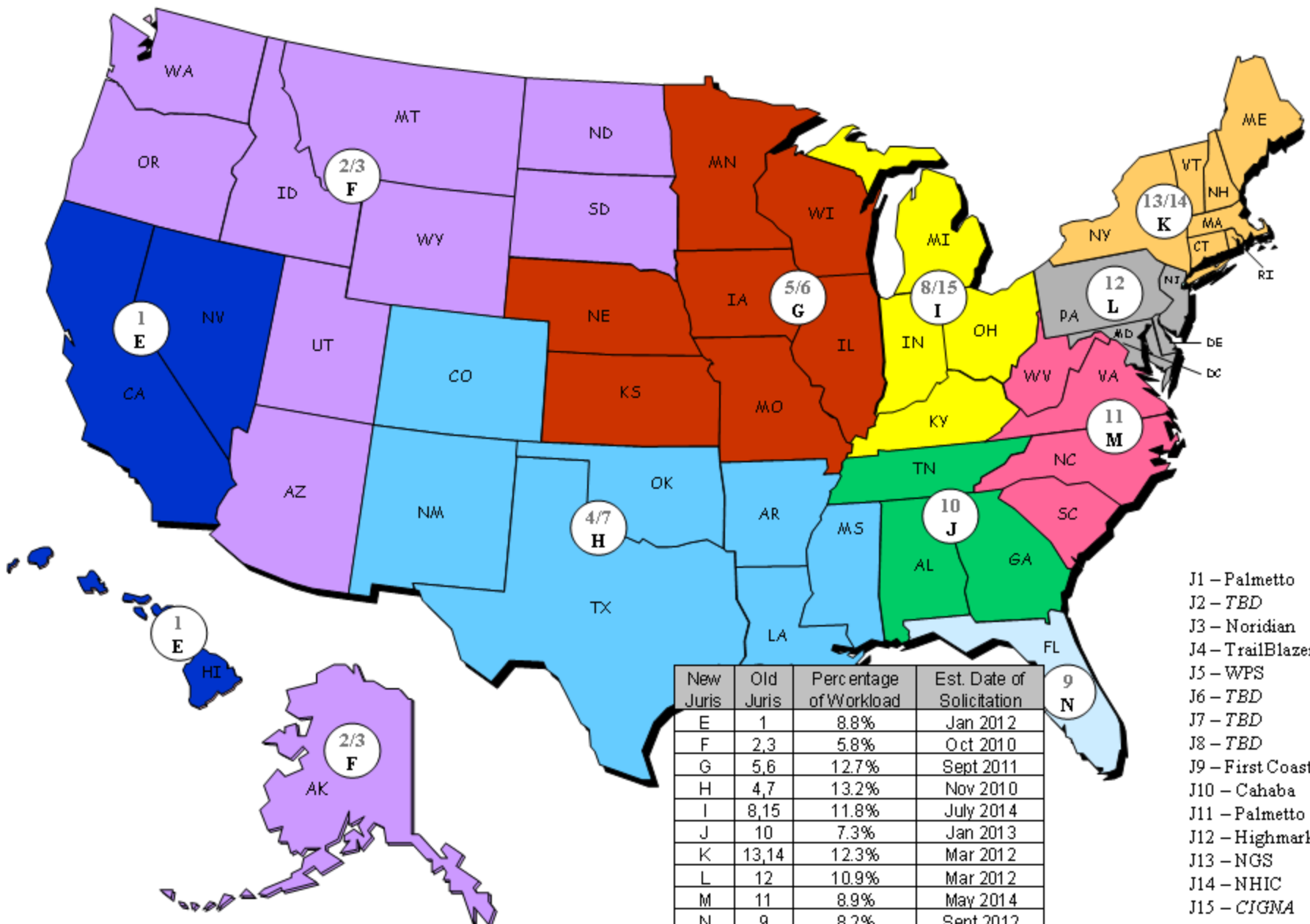
Education Makes the Difference

Education Makes the Difference

## New A/B MAC Jurisdictions



# A/B MAC Jurisdictions (after 2<sup>nd</sup> phase of "Round 2" consolidation)

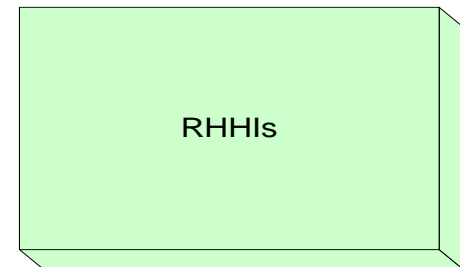
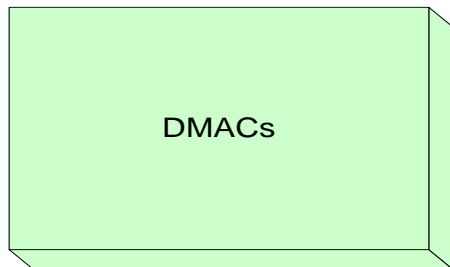
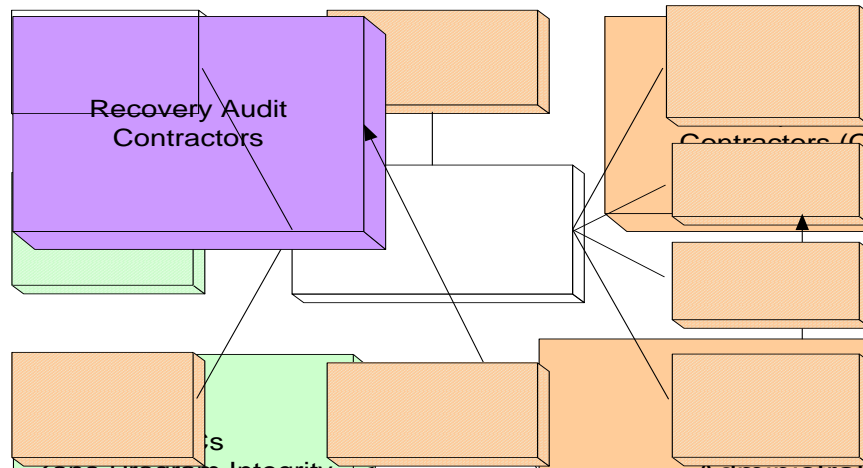
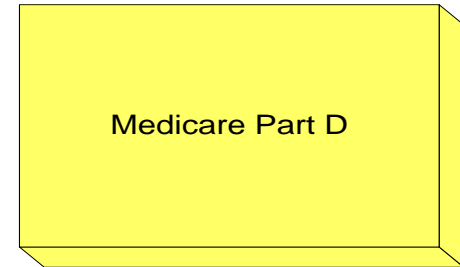
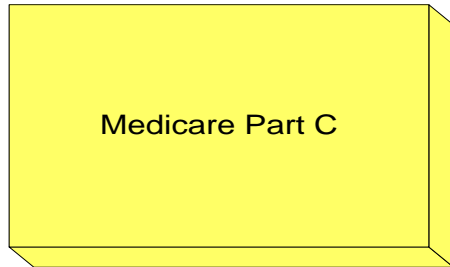


# Medicare Functional Environment

Education Makes the Difference

Education Makes the Difference

Education Makes the Difference

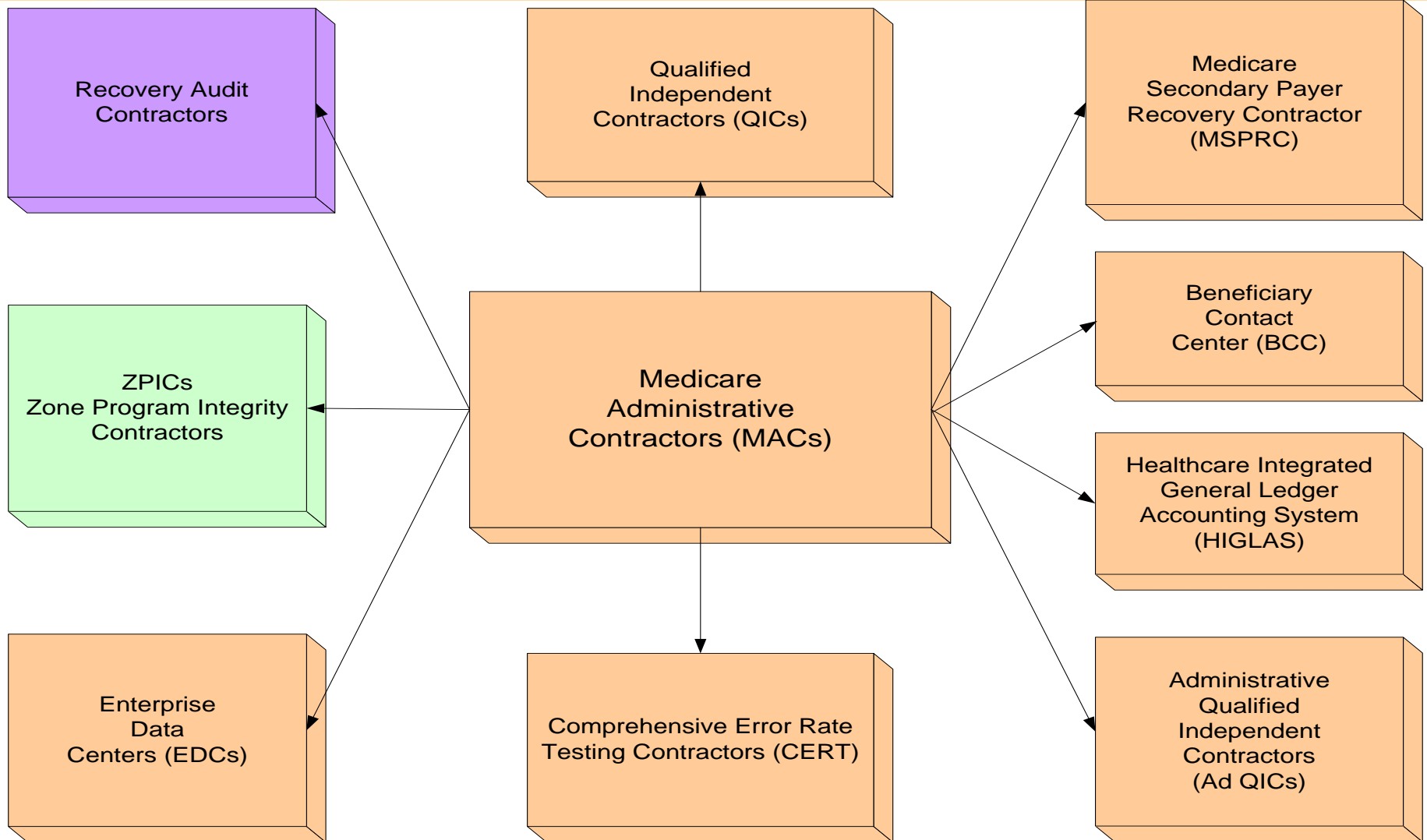


# Medicare Functional Environment

Education Makes the Difference

Education Makes the Difference

Education Makes the Difference



# Medicare Administrative Contractors

*Education Makes the Difference*

*Education Makes the Difference*

*Education Makes the Difference*

- Receive and process Medicare A and B claims
  - Computer systems
  - EDI
  - Front-end claim review
  - Pricing
- Integrity Program
  - Enrollment
  - Data analysis
  - Medical review
- Provider services
  - Education
  - “Customer” services
- First-level Appeals
- **Coordinate with all other CMS contracted auditing entities**

# Observations about RAC Ops in 2010

*Education Makes the Difference*

*Education Makes the Difference*

*Education Makes the Difference*

- 1. Volume of requests lower than expected.**
- 2. Agreeing to change decisions.**
- 3. Failure to meet deadlines.**
- 4. Spotty reimbursement for sending records.**
- 5. Reviewing the same item for multiple violations.**

# Connolly 2011 RAC “Approved Issues List”

*Education Makes the Difference*

*Education Makes the Difference*

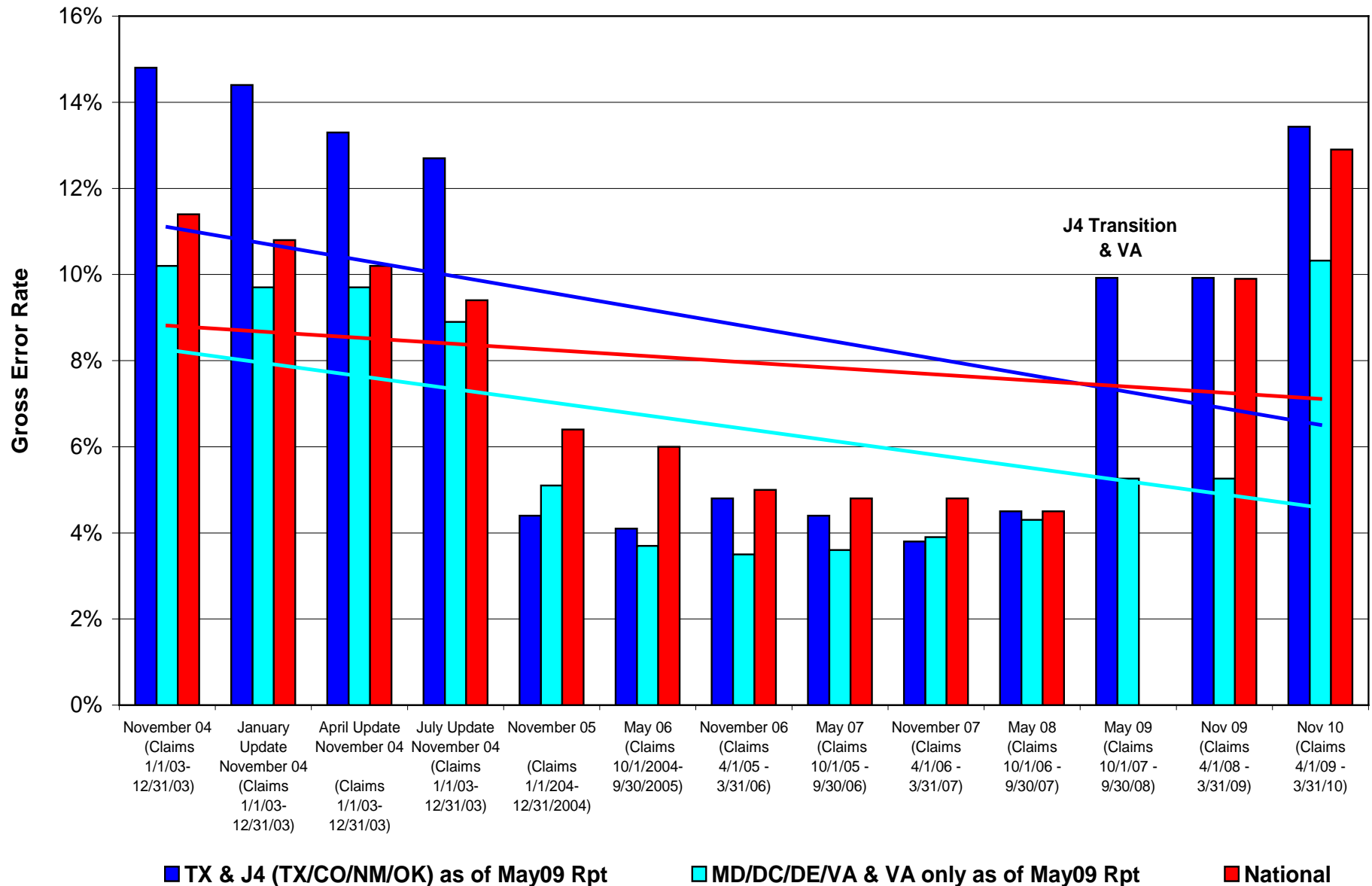
*Education Makes the Difference*

- Multiple Inpatient DRG and medical necessity validations (includes one day stays, many different diagnosis groups, many different surgical procedures, complications of several surgical procedures, readmissions)
- Services (includes ASC based surgeries, laboratory and other tests, ambulance transports and other things) to beneficiaries during qualified Medicare covered SNF admission
- Dose vs. units billed drug audits (multiple drugs)

<http://www.connolly.com/healthcare/pages/ApprovedIssues.aspx>

# TrailBlazer Part B November 2010 CERT Report

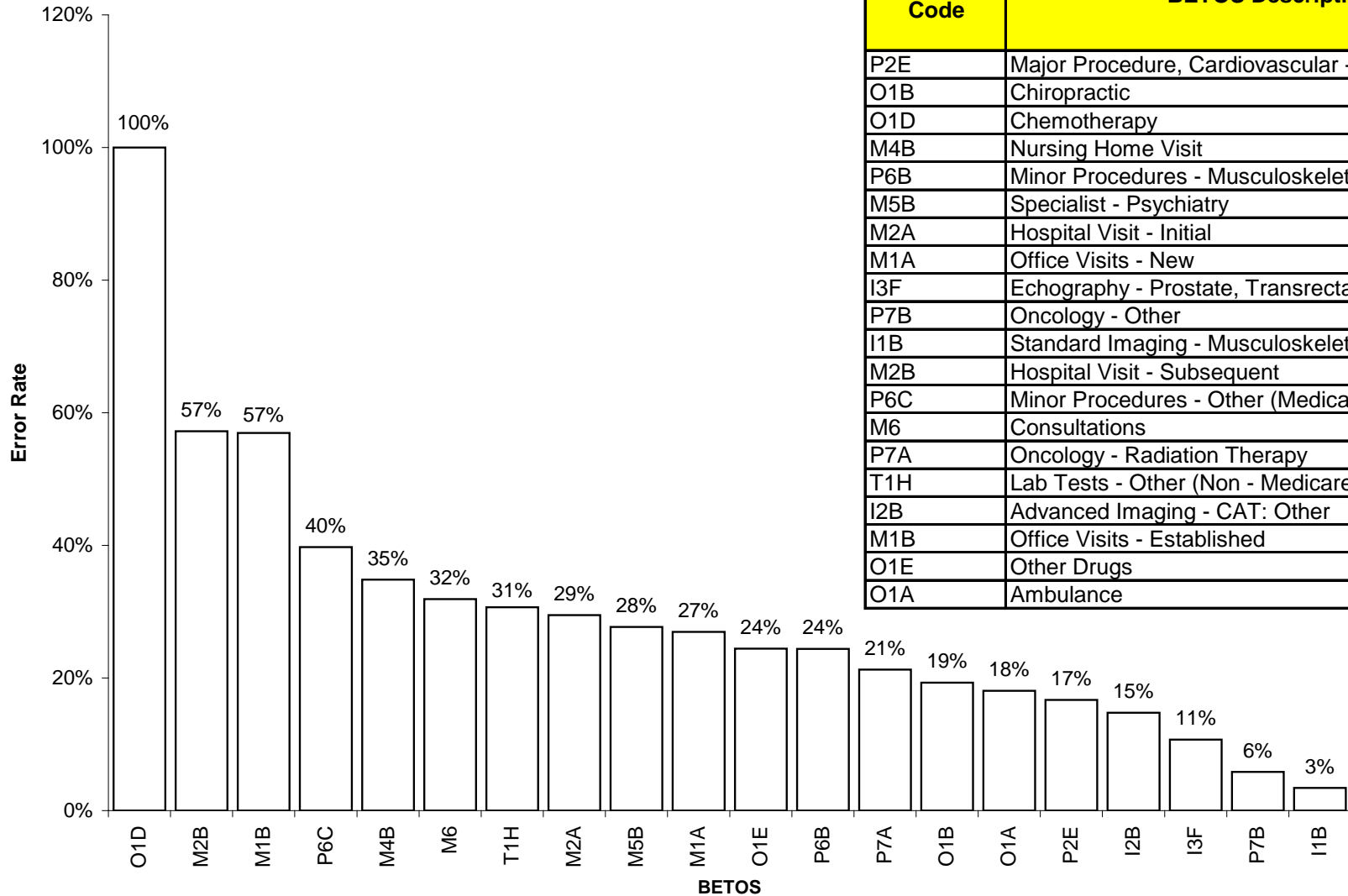
## Claims Submitted on 04/01/09 – 03/31/10



# TrailBlazer Part B November 2010 CERT Report

## Top 20 BETOS Codes by Error Rate

Claims Submitted 04/01/09 – 03/31/10

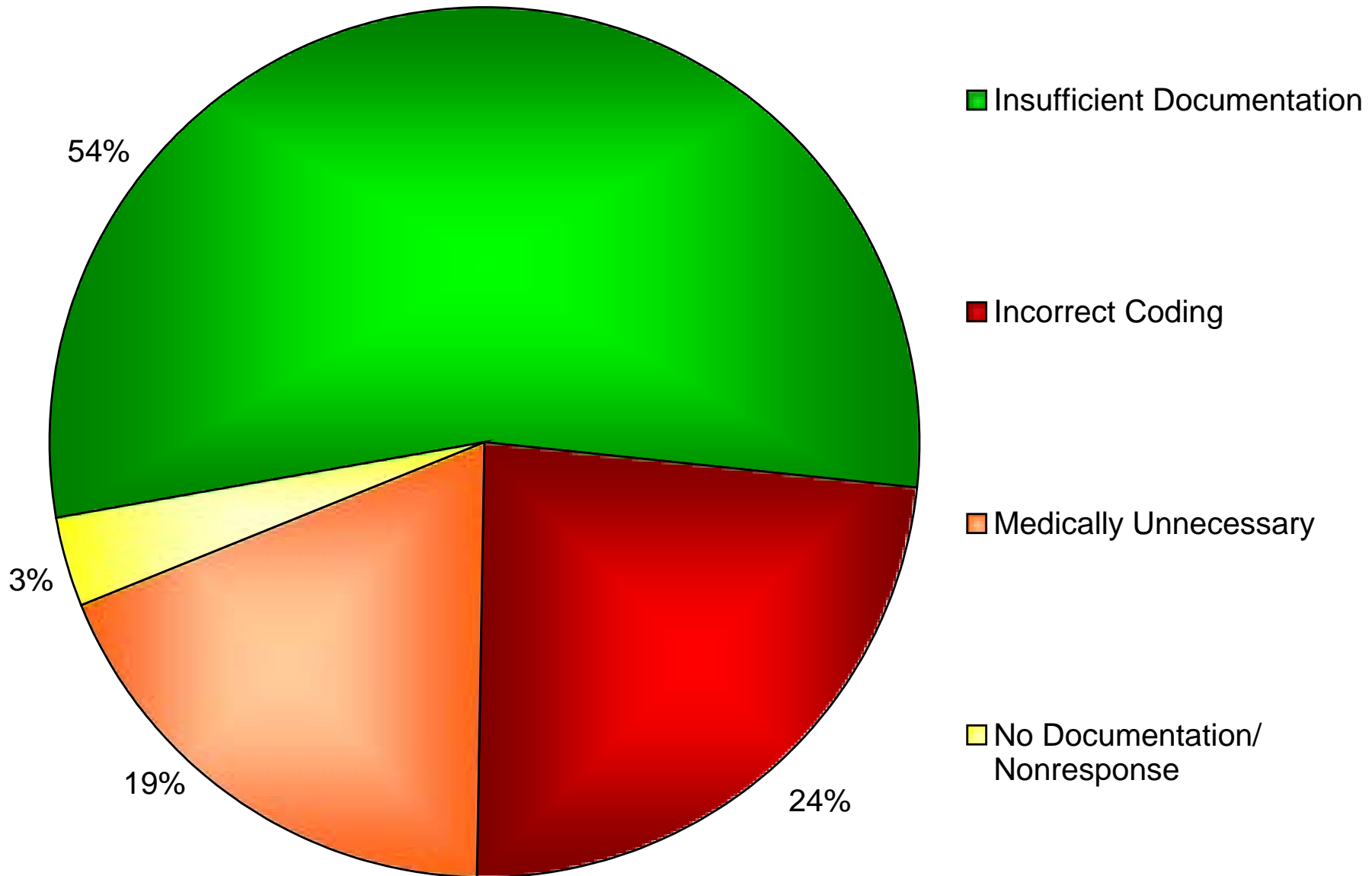


| BETOS Code | BETOS Description                                  |
|------------|--|
| P2E        | Major Procedure, Cardiovascular - Pacemaker Insert |
| O1B        | Chiropractic                                       |
| O1D        | Chemotherapy                                       |
| M4B        | Nursing Home Visit                                 |
| P6B        | Minor Procedures - Musculoskeletal                 |
| M5B        | Specialist - Psychiatry                            |
| M2A        | Hospital Visit - Initial                           |
| M1A        | Office Visits - New                                |
| I3F        | Echography - Prostate, Transrectal                 |
| P7B        | Oncology - Other                                   |
| I1B        | Standard Imaging - Musculoskeletal                 |
| M2B        | Hospital Visit - Subsequent                        |
| P6C        | Minor Procedures - Other (Medicare Fee Schedule)   |
| M6         | Consultations                                      |
| P7A        | Oncology - Radiation Therapy                       |
| T1H        | Lab Tests - Other (Non - Medicare Fee Schedule)    |
| I2B        | Advanced Imaging - CAT: Other                      |
| M1B        | Office Visits - Established                        |
| O1E        | Other Drugs  |
| O1A        | Ambulance  |

# TrailBlazer Part B November 2010 CERT Report

## Paid Claims Error Rate by Error Category

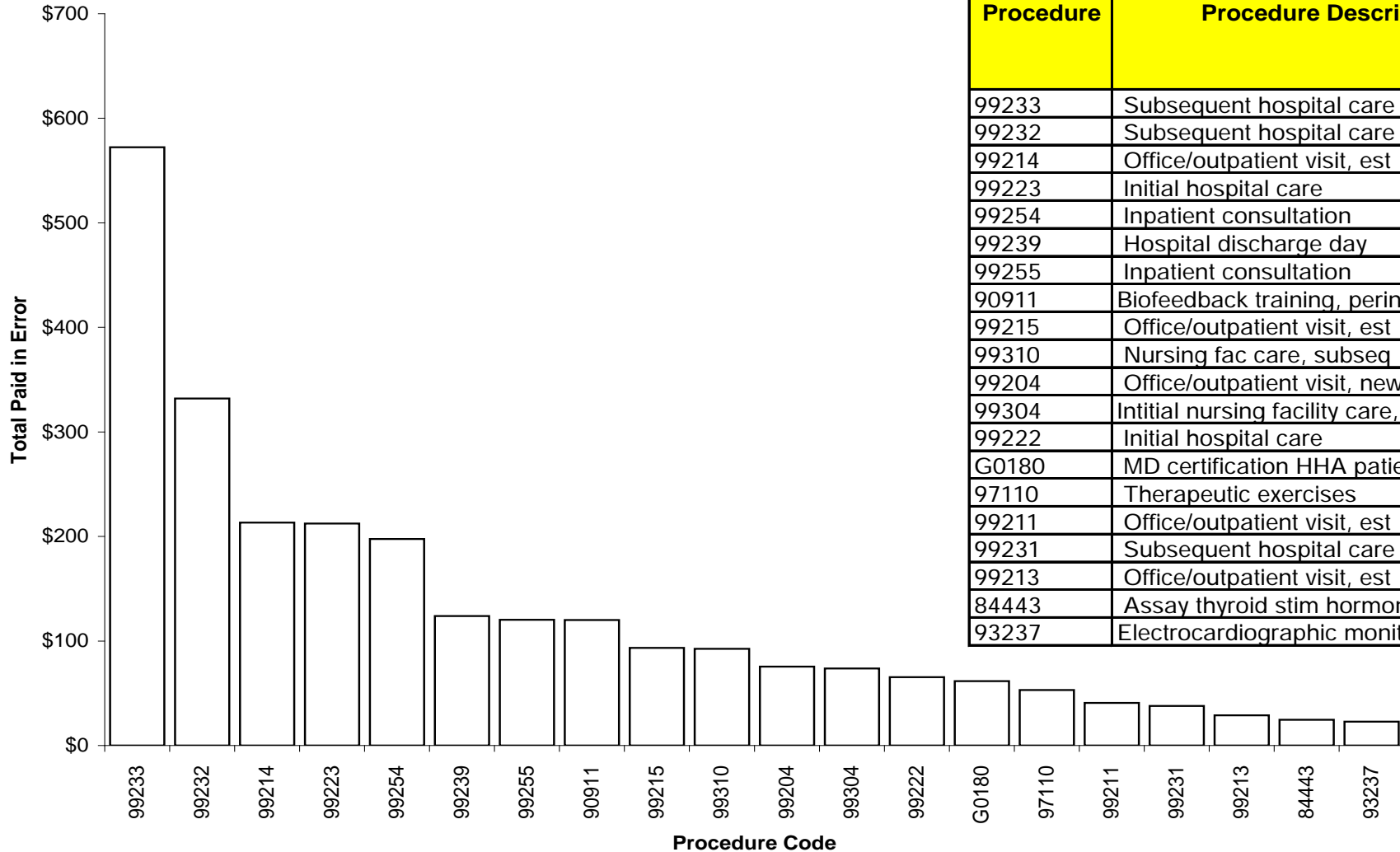
Claims Submitted on 04/01/09 – 03/31/10



# TrailBlazer Part B November 2010 CERT Report

## Procedure Codes Paid in Error by Provider Specialty Internal Medicine

Claims Submitted 04/01/09 – 03/31/10

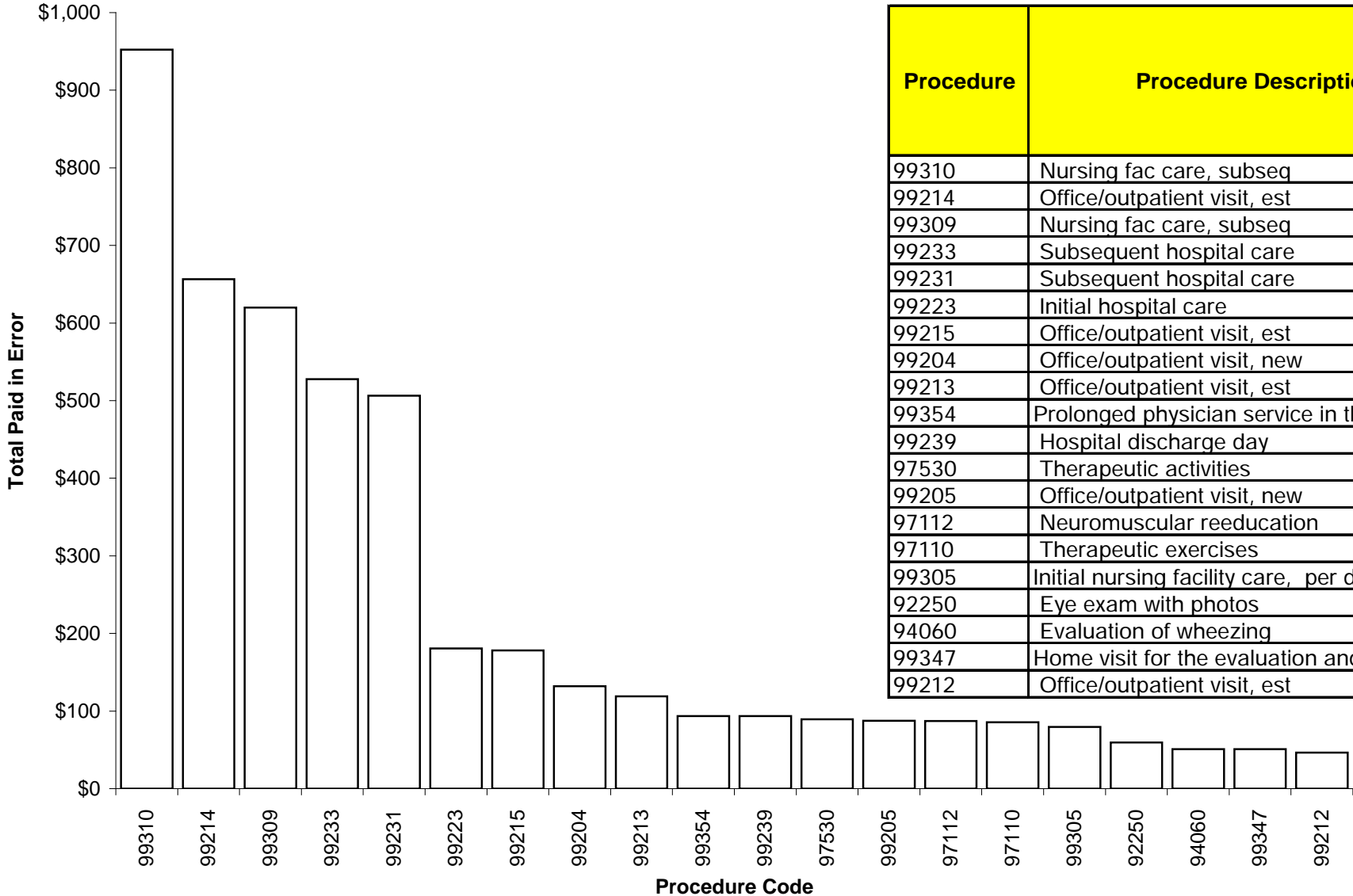


| Procedure | Procedure Description                        |
|-----------|--|
| 99233     | Subsequent hospital care                     |
| 99232     | Subsequent hospital care                     |
| 99214     | Office/outpatient visit, est                 |
| 99223     | Initial hospital care                        |
| 99254     | Inpatient consultation                       |
| 99239     | Hospital discharge day                       |
| 99255     | Inpatient consultation                       |
| 90911     | Biofeedback training, perineal muscles, 4    |
| 99215     | Office/outpatient visit, est                 |
| 99310     | Nursing fac care, subseq                     |
| 99204     | Office/outpatient visit, new                 |
| 99304     | Intitial nursing facility care, per day (low |
| 99222     | Initial hospital care                        |
| G0180     | MD certification HHA patient                 |
| 97110     | Therapeutic exercises                        |
| 99211     | Office/outpatient visit, est                 |
| 99231     | Subsequent hospital care                     |
| 99213     | Office/outpatient visit, est                 |
| 84443     | Assay thyroid stim hormone                   |
| 93237     | Electrocardiographic monitoring for 24 h     |

# TrailBlazer Part B November 2010 CERT Report

## Procedure Codes Paid in Error by Provider Specialty Family Practice

Claims Submitted 04/01/09 – 03/31/10

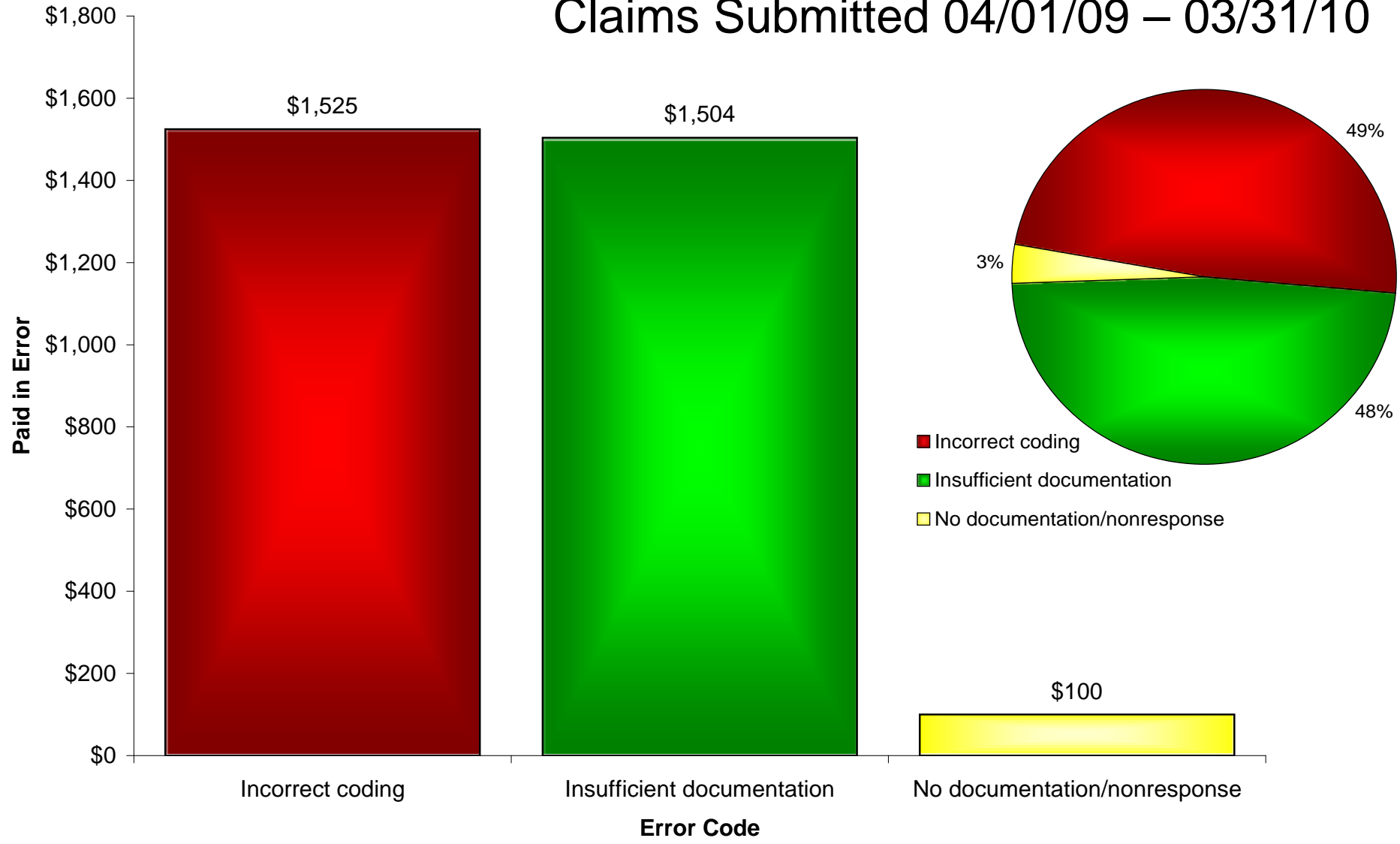


| Procedure | Procedure Description                            |
|-----------|--|
| 99310     | Nursing fac care, subseq                         |
| 99214     | Office/outpatient visit, est                     |
| 99309     | Nursing fac care, subseq                         |
| 99233     | Subsequent hospital care                         |
| 99231     | Subsequent hospital care                         |
| 99223     | Initial hospital care                            |
| 99215     | Office/outpatient visit, est                     |
| 99204     | Office/outpatient visit, new                     |
| 99213     | Office/outpatient visit, est                     |
| 99354     | Prolonged physician service in the office or o   |
| 99239     | Hospital discharge day                           |
| 97530     | Therapeutic activities                           |
| 99205     | Office/outpatient visit, new                     |
| 97112     | Neuromuscular reeducation                        |
| 97110     | Therapeutic exercises                            |
| 99305     | Initial nursing facility care, per day (moderate |
| 92250     | Eye exam with photos                             |
| 94060     | Evaluation of wheezing                           |
| 99347     | Home visit for the evaluation and managemen      |
| 99212     | Office/outpatient visit, est                     |

# TrailBlazer Part B November 2010 CERT Report

## Paid in Error for BETOS M2B/Hospital Visit – Subsequent by Error Category

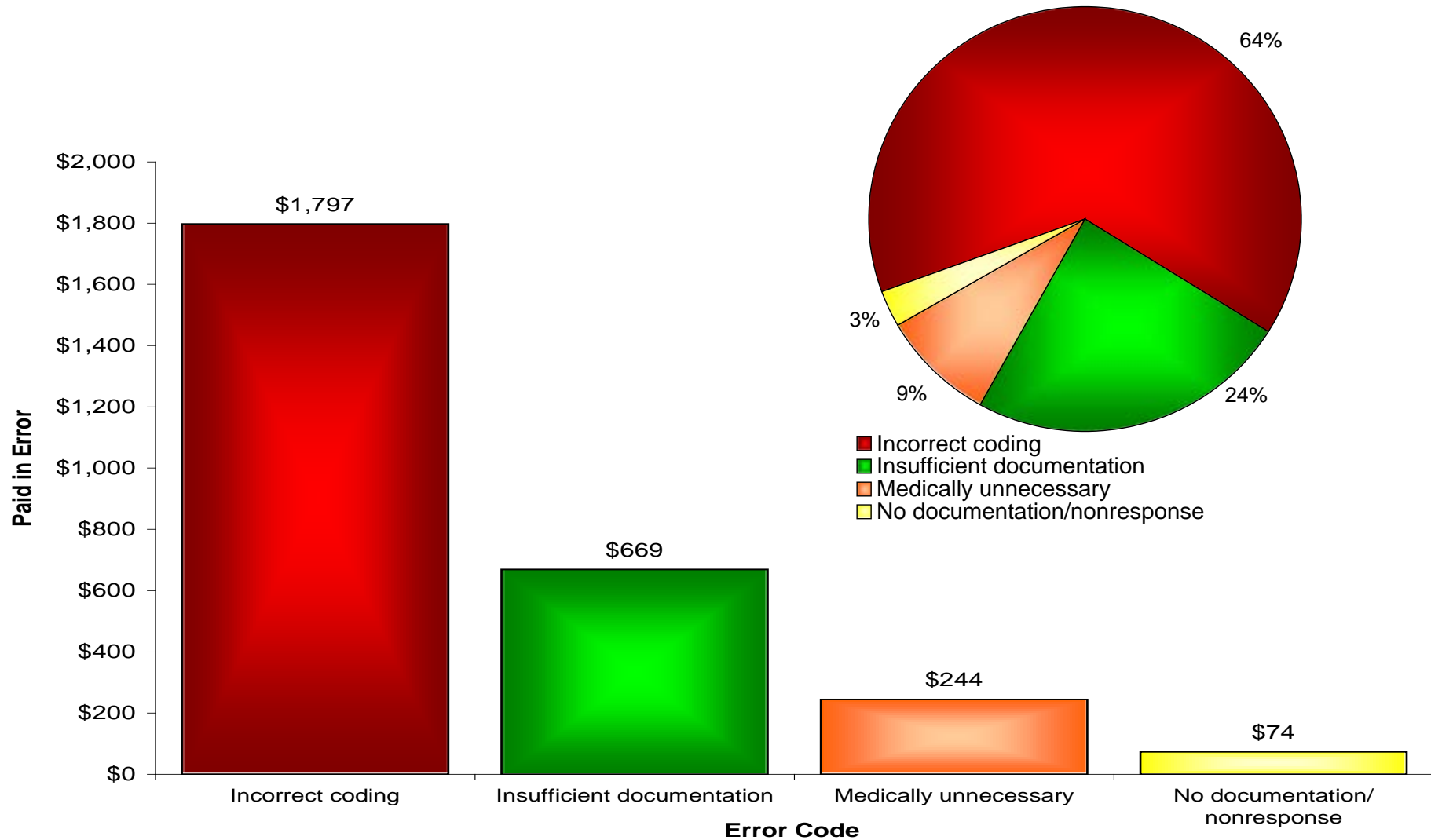
Claims Submitted 04/01/09 – 03/31/10



# TrailBlazer Part B November 2010 CERT Report

## Paid in Error for Specialty Internal Medicine by Error Category

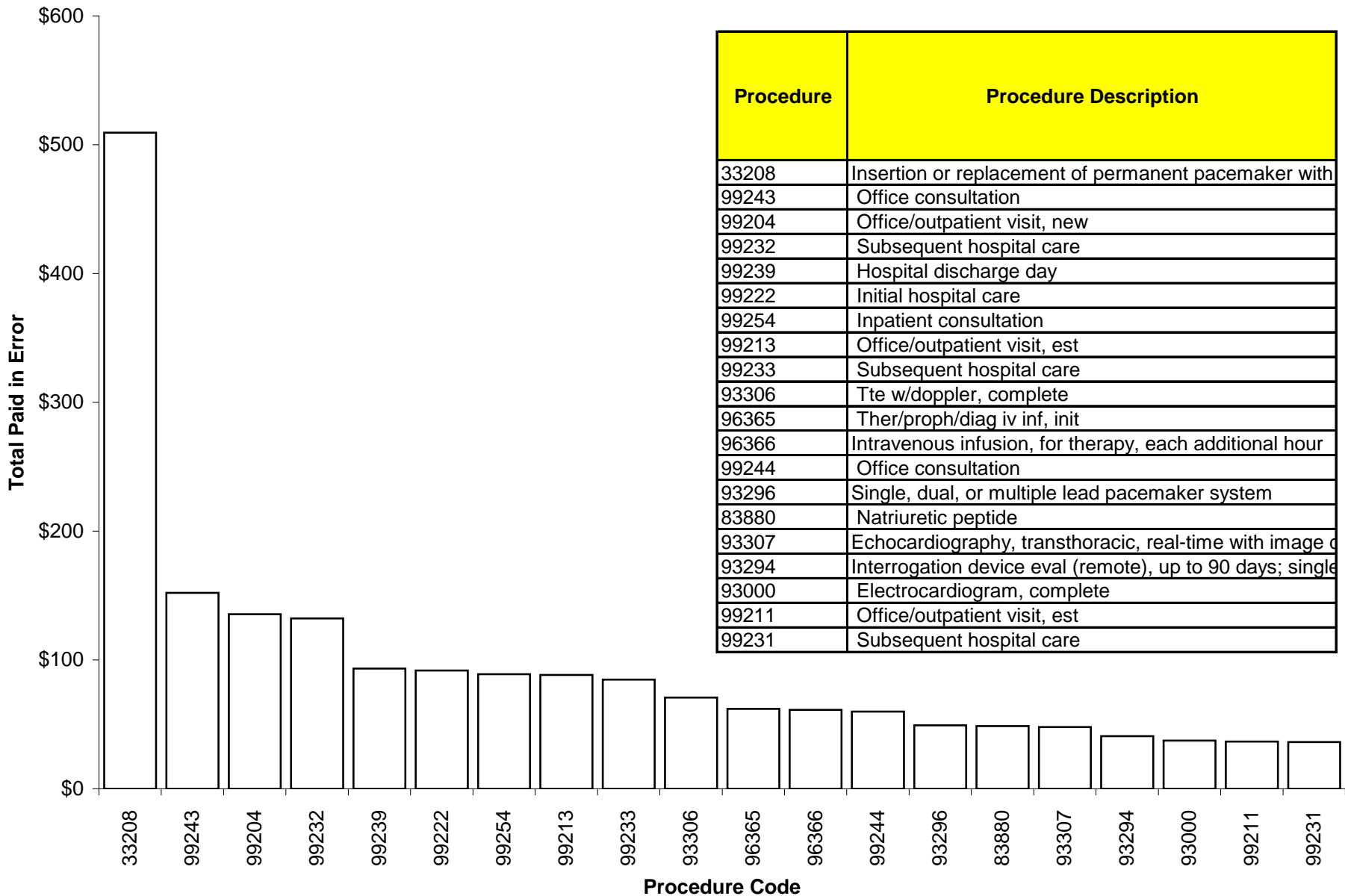
Claims Submitted 04/01/09 – 03/31/10



# TrailBlazer Part B November 2010 CERT Report

## Procedure Codes Paid in Error by Provider Specialty Cardiology

### Claims Submitted 04/01/09 – 03/31/10

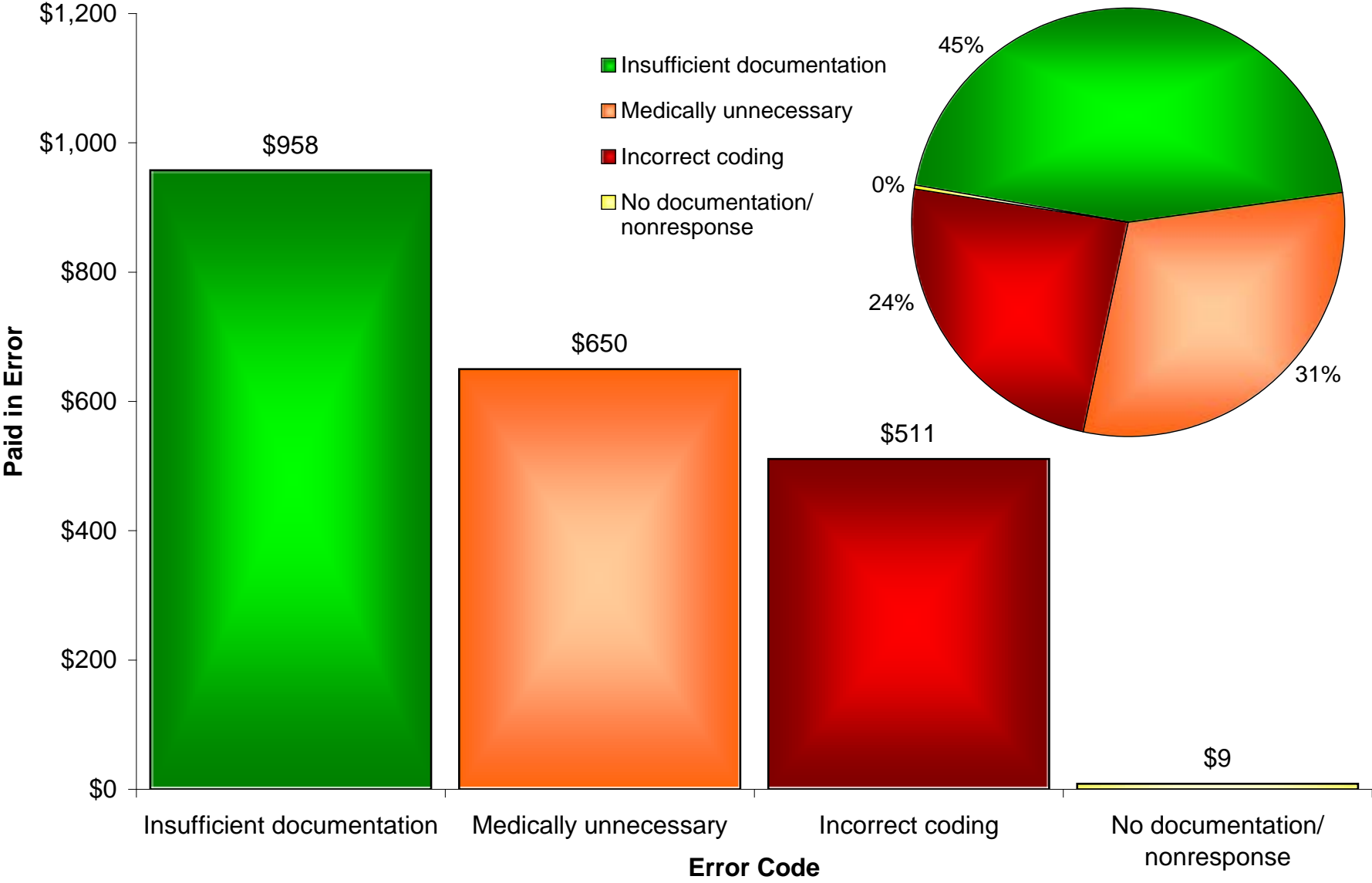


| Procedure | Procedure Description                                     |
|-----------|---|
| 33208     | Insertion or replacement of permanent pacemaker with      |
| 99243     | Office consultation                                       |
| 99204     | Office/outpatient visit, new                              |
| 99232     | Subsequent hospital care                                  |
| 99239     | Hospital discharge day                                    |
| 99222     | Initial hospital care                                     |
| 99254     | Inpatient consultation                                    |
| 99213     | Office/outpatient visit, est                              |
| 99233     | Subsequent hospital care                                  |
| 93306     | Tte w/doppler, complete                                   |
| 96365     | Ther/proph/diag iv inf, init                              |
| 96366     | Intravenous infusion, for therapy, each additional hour   |
| 99244     | Office consultation                                       |
| 93296     | Single, dual, or multiple lead pacemaker system           |
| 83880     | Natriuretic peptide                                       |
| 93307     | Echocardiography, transthoracic, real-time with image c   |
| 93294     | Interrogation device eval (remote), up to 90 days; single |
| 93000     | Electrocardiogram, complete                               |
| 99211     | Office/outpatient visit, est                              |
| 99231     | Subsequent hospital care                                  |

# TrailBlazer Part B November 2010 CERT Report

## Paid in Error for Specialty Cardiology by Error Category

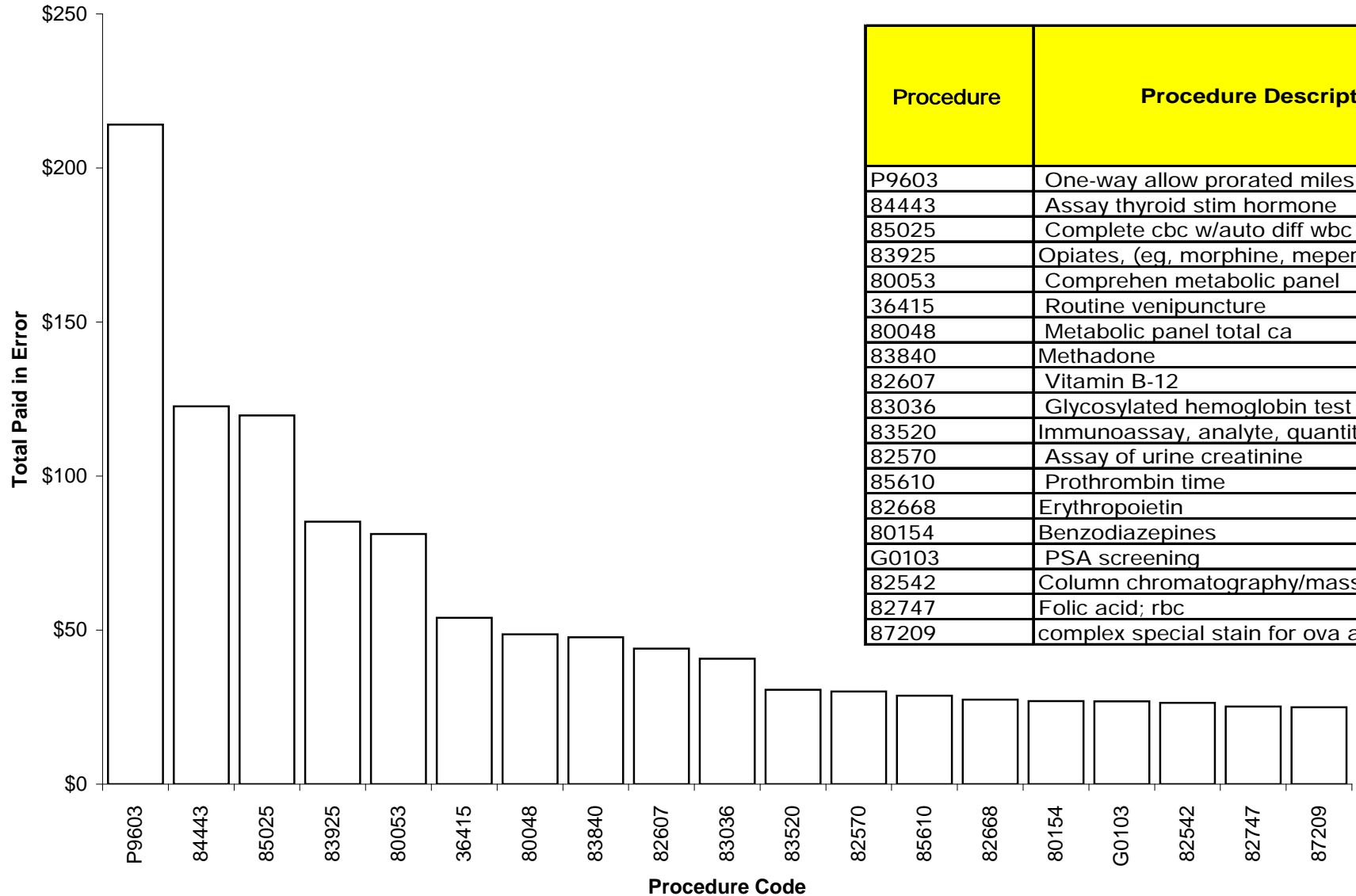
Claims Submitted 04/01/09 – 03/31/10



# TrailBlazer Part B November 2010 CERT Report

## Procedure Codes Paid in Error by Provider Specialty Clinical Lab

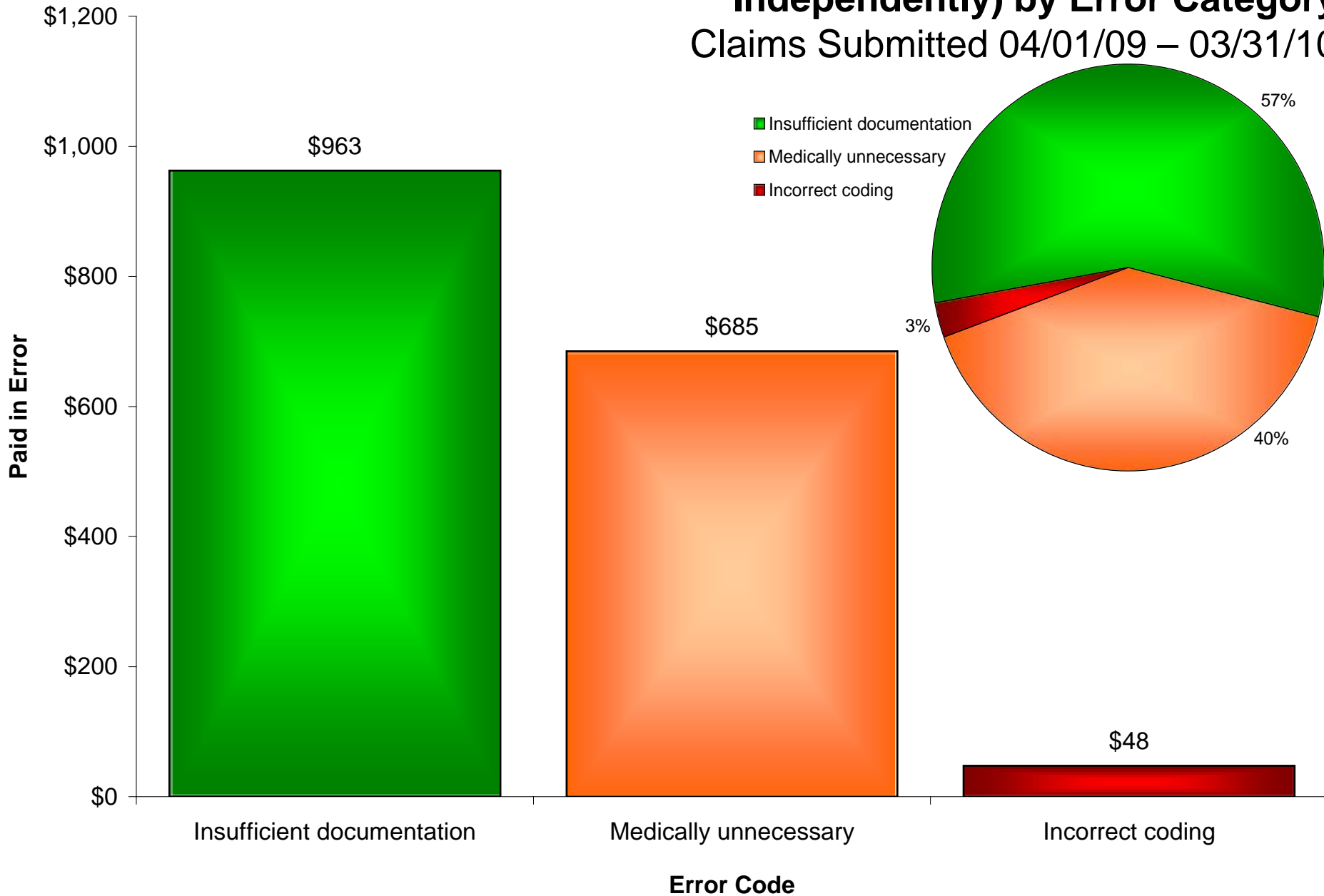
Claims Submitted 04/01/09 – 03/31/10



| Procedure | Procedure Description                         |
|-----------|---|
| P9603     | One-way allow prorated miles                  |
| 84443     | Assay thyroid stim hormone                    |
| 85025     | Complete cbc w/auto diff wbc                  |
| 83925     | Opiates, (eg, morphine, meperidine)           |
| 80053     | Comprehen metabolic panel                     |
| 36415     | Routine venipuncture                          |
| 80048     | Metabolic panel total ca                      |
| 83840     | Methadone                                     |
| 82607     | Vitamin B-12                                  |
| 83036     | Glycosylated hemoglobin test                  |
| 83520     | Immunoassay, analyte, quantitative; not other |
| 82570     | Assay of urine creatinine                     |
| 85610     | Prothrombin time                              |
| 82668     | Erythropoietin                                |
| 80154     | Benzodiazepines                               |
| G0103     | PSA screening                                 |
| 82542     | Column chromatography/mass spectrometry       |
| 82747     | Folic acid; rbc                               |
| 87209     | complex special stain for ova and parasites   |



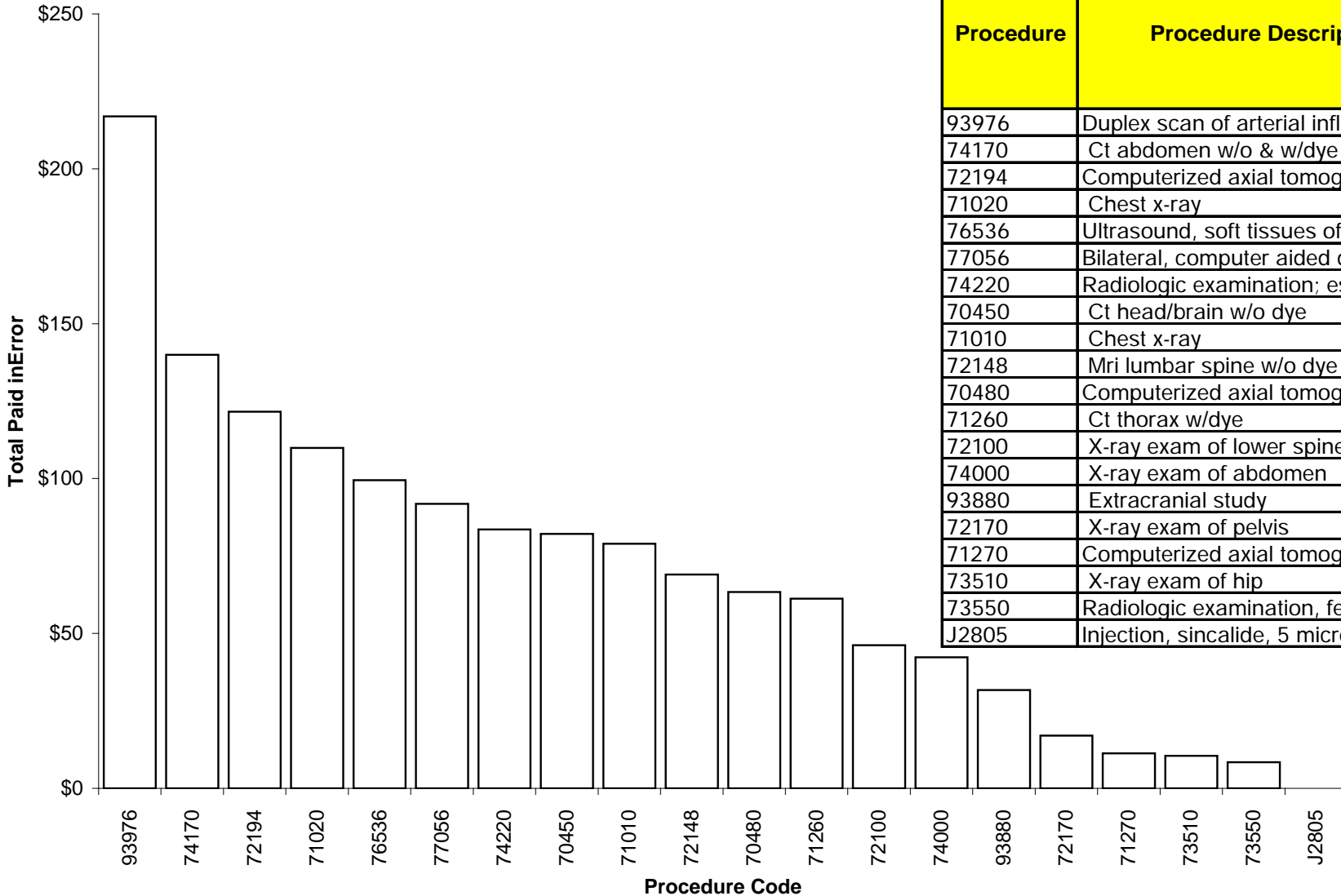
# TrailBlazer Part B November 2010 CERT Report Paid in Error for Specialty Clinical Laboratory (Billing Independently) by Error Category Claims Submitted 04/01/09 – 03/31/10



# TrailBlazer Part B November 2010 CERT Report

## Procedure Code Paid in Error by Provider Specialty Diagnostic Radiology

Claims Submitted 04/01/09 – 03/31/10

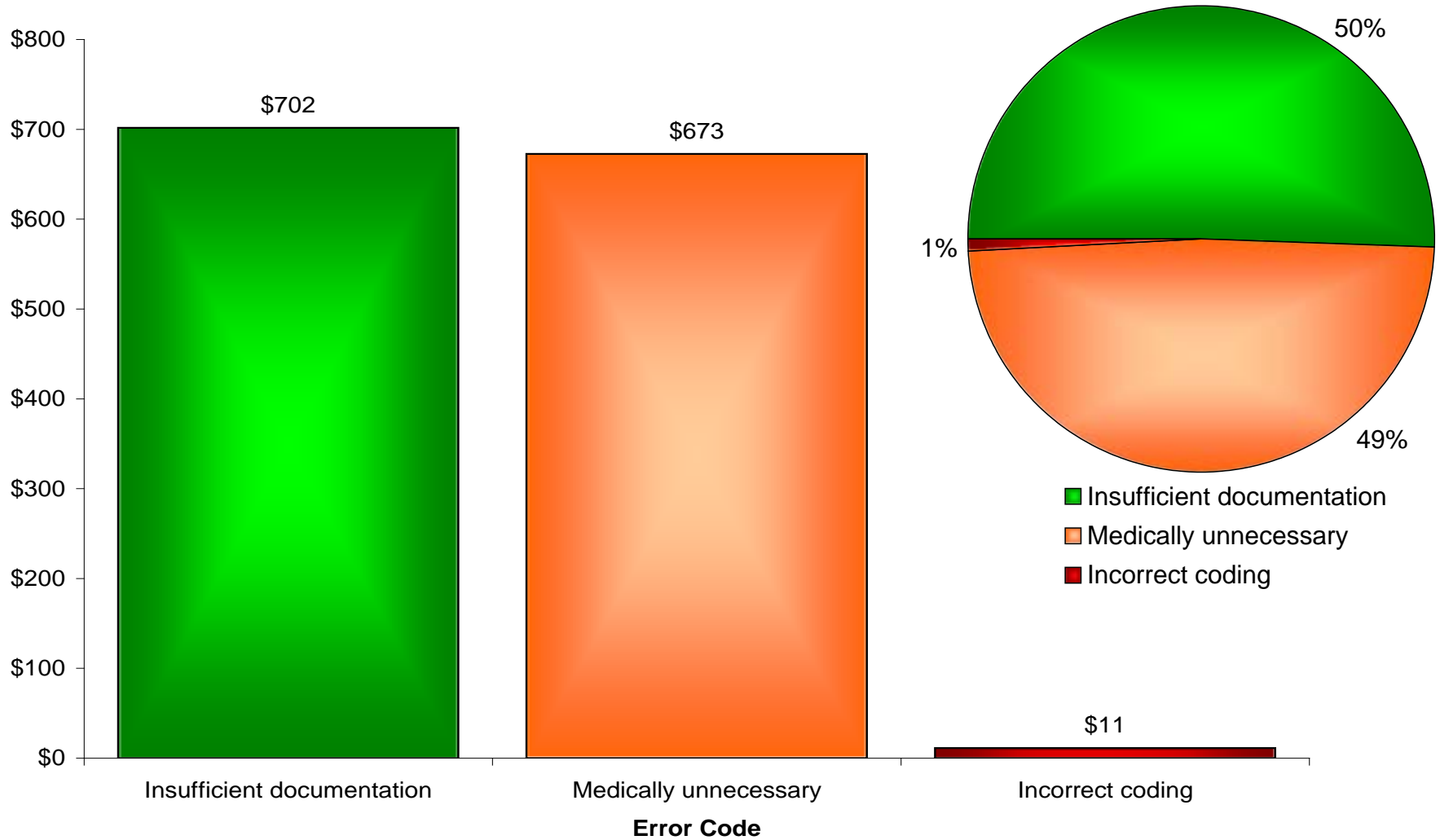


| Procedure | Procedure Description                    |
|-----------|--|
| 93976     | Duplex scan of arterial inflow and venod |
| 74170     | Ct abdomen w/o & w/dye                   |
| 72194     | Computerized axial tomography, pelvis    |
| 71020     | Chest x-ray                              |
| 76536     | Ultrasound, soft tissues of head and n   |
| 77056     | Bilateral, computer aided detection - m  |
| 74220     | Radiologic examination; esophagus        |
| 70450     | Ct head/brain w/o dye                    |
| 71010     | Chest x-ray                              |
| 72148     | Mri lumbar spine w/o dye                 |
| 70480     | Computerized axial tomography, orbit,    |
| 71260     | Ct thorax w/dye                          |
| 72100     | X-ray exam of lower spine                |
| 74000     | X-ray exam of abdomen                    |
| 93880     | Extracranial study                       |
| 72170     | X-ray exam of pelvis                     |
| 71270     | Computerized axial tomography, thora     |
| 73510     | X-ray exam of hip                        |
| 73550     | Radiologic examination, femur, two vie   |
| J2805     | Injection, sincalide, 5 micrograms       |

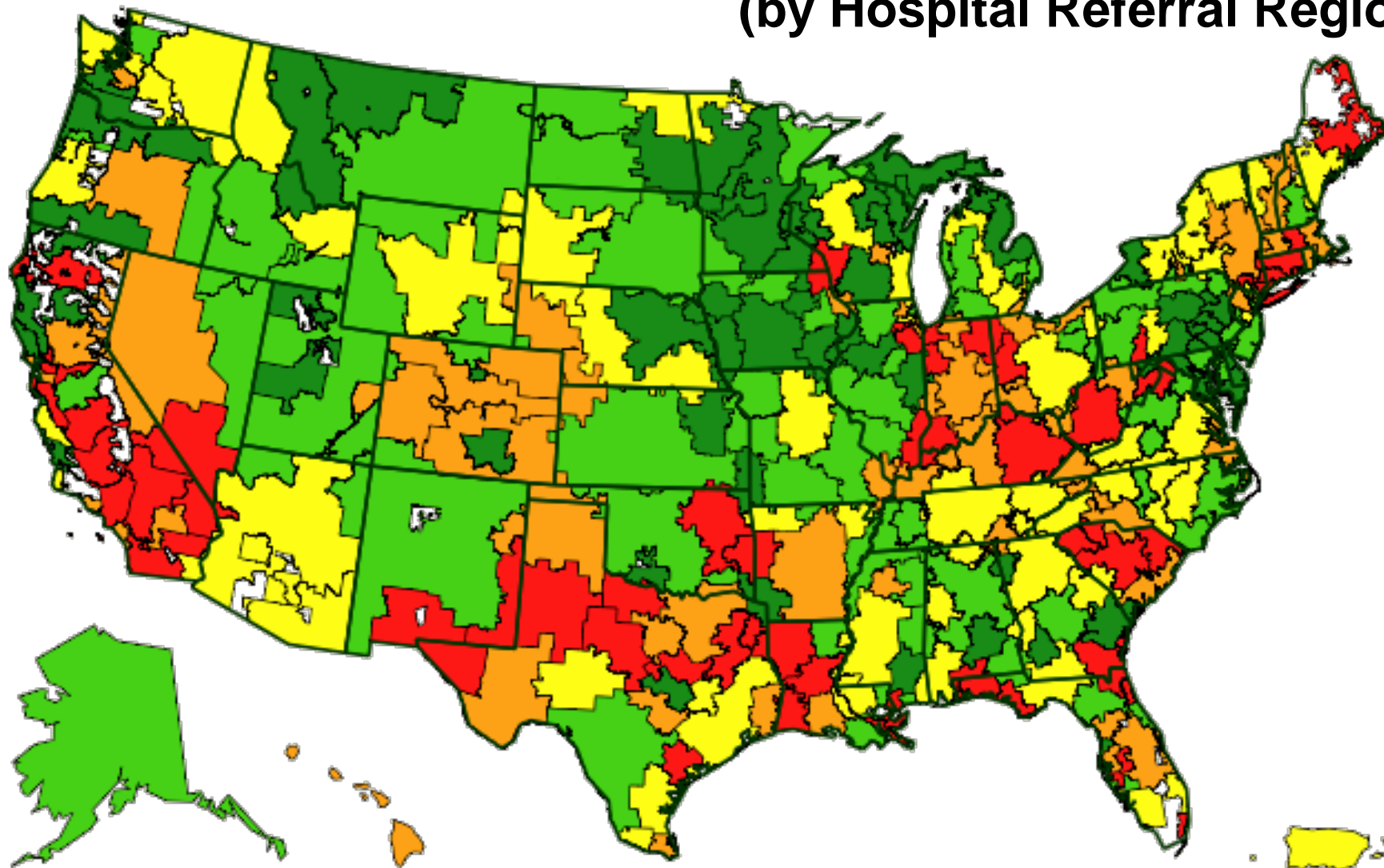
# TrailBlazer Part B November 2010 CERT Report

## Paid in Error for Specialty Radiology by Error Category

Claims Submitted 04/01/09 – 03/31/10



# Part B Nov 2010 Report Paid Claim Error Rate (by Hospital Referral Region)



ErrorRate ■ 0.00% - 4.22% ■ 4.44% - 8.32% ■ 8.35% - 11.69% ■ 12.04% - 17.99% ■ 18.09% - 73.83%

# TrailBlazer Problem Lists

Education Makes the Difference

Education Makes the Difference

Education Makes the Difference

## Part A

- Inpatient Hospital (IPPS) – Type of Bill (TOB) 11X
- Skilled Nursing Facility (SNF) – Types of Bill (TOBs) 21X, 22X, and 23X
- Outpatient Services, TOB 12X, 13X, 14X, 83X and 85X
- ESRD – TOB 72X

# TrailBlazer Problem Lists

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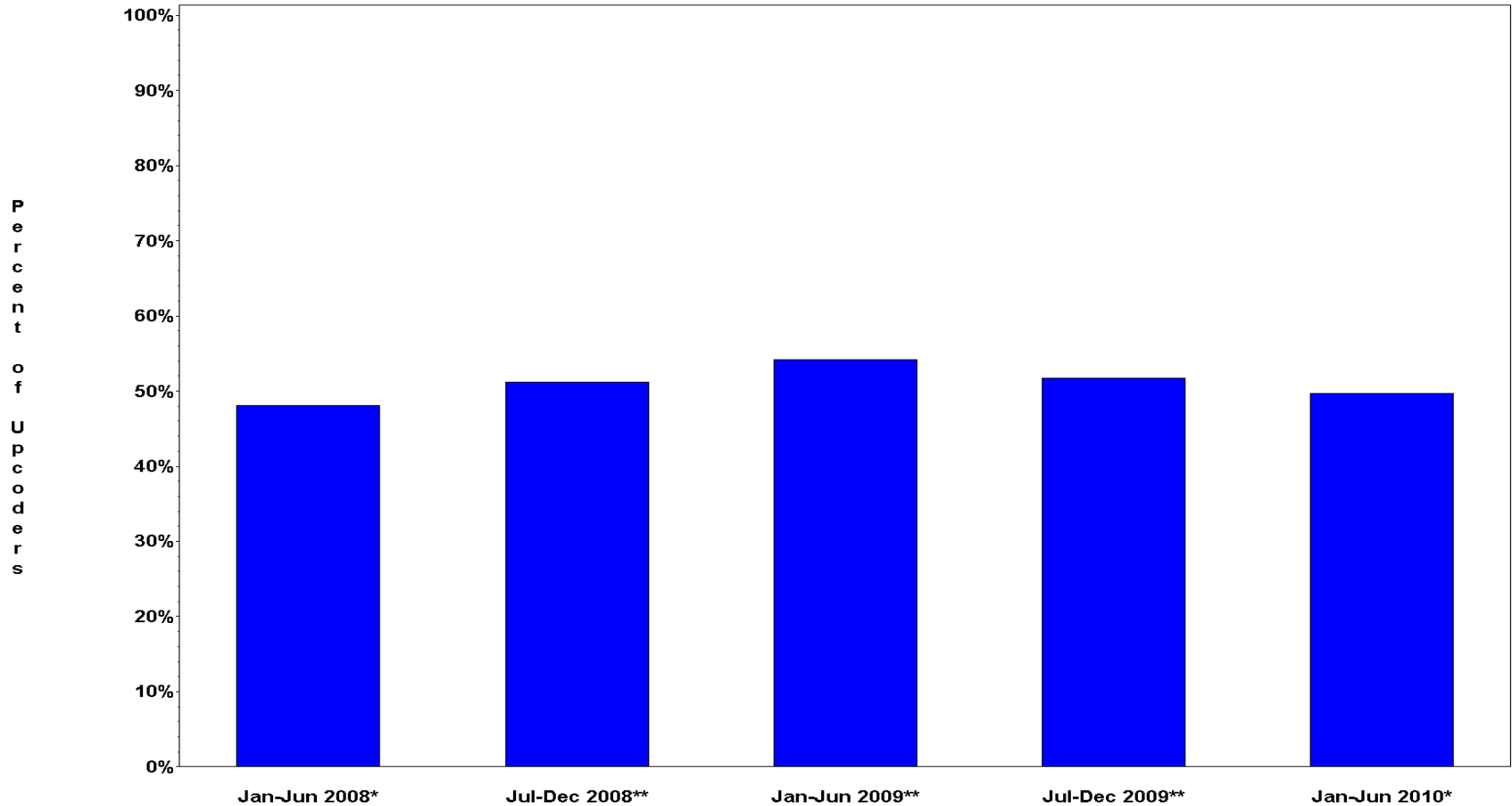
## Part B

- Ambulance (O1A)
- Chemotherapy and Other Drugs (O1D and O1E)
- Chiropractic (O1B)
- Evaluation and Management (E/M), BETOS Codes M1A, M1B, M2A, M2B, M2C, M3, M4B, M5B and M5C
- Tests – BETOS Codes T1H, T1G and T2D
- Procedures – BETOS Codes P0, P1G, P2F, P4B, P5A, P6A, P6B, P6C, P7A, P8D, P8E, P9A and P9B

# J4 E&M BETOS Code M3

Dates of Service January 2010 – June 2010

Paid Dates January 2010 – September 2010



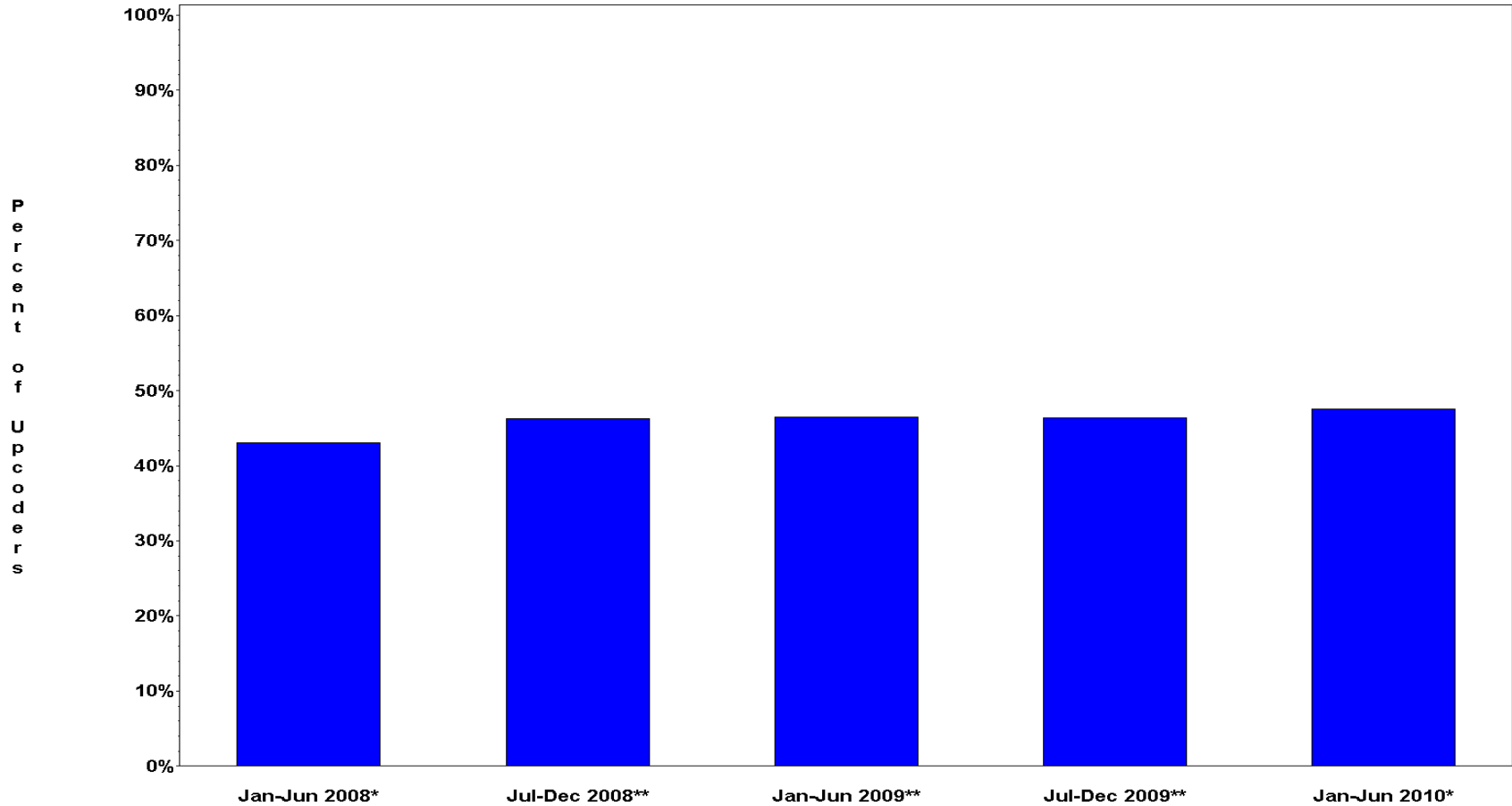
\*Jan 2008 – Jun 2008 data based on PIN

\*\*Jul 2008 – Sep 2010 data based on NPI

# J4 E&M BETOS Code M1A

Dates of Service January 2010 – June 2010

Paid Dates January 2010 – September 2010



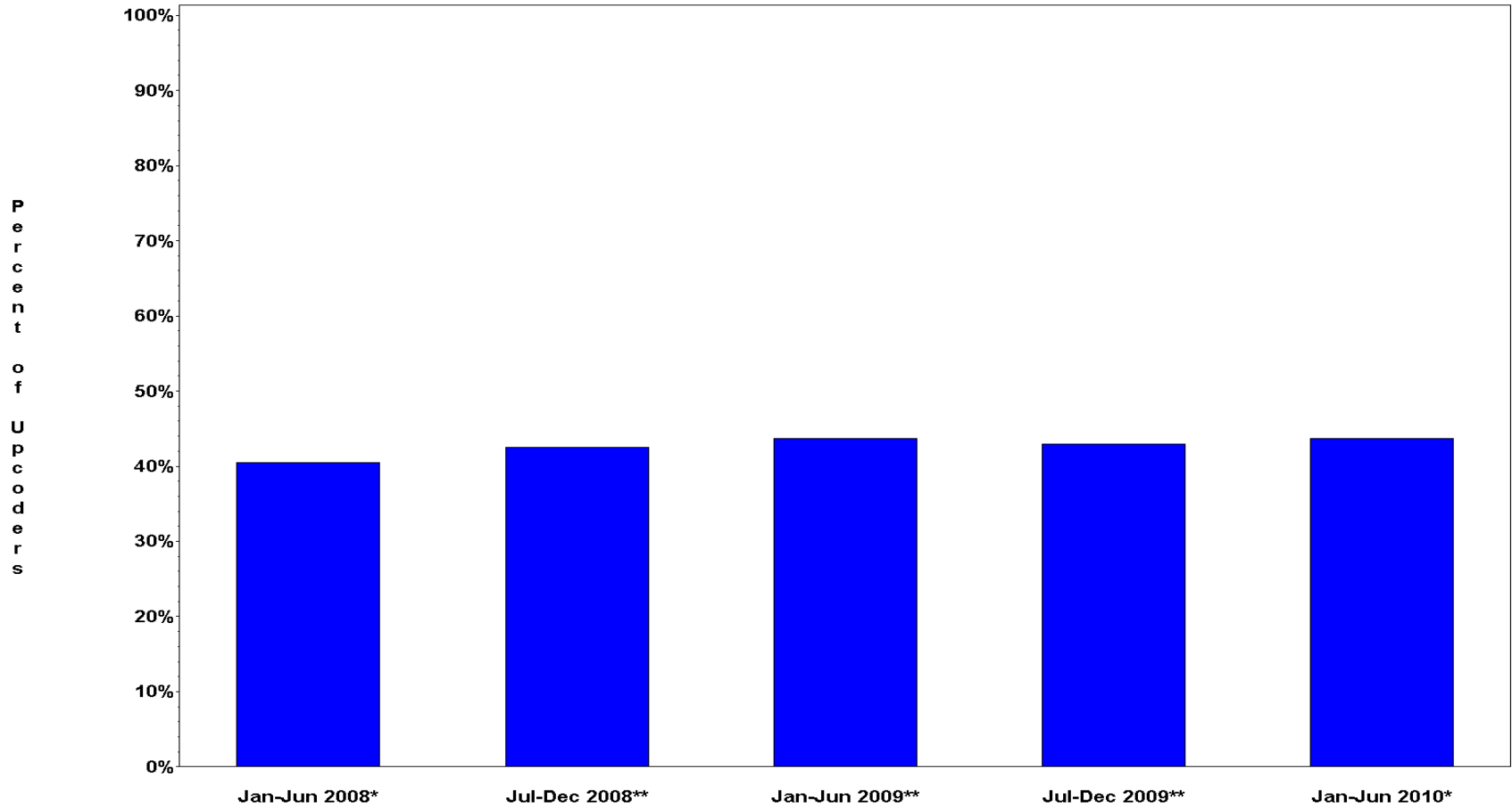
\*Jan 2008 – Jun 2008 data based on PIN

\*\*Jul 2008 – Sep 2010 data based on NPI

# J4 E&M BETOS Code M1B

Dates of Service January 2010 – June 2010

Paid Dates January 2010 – September 2010



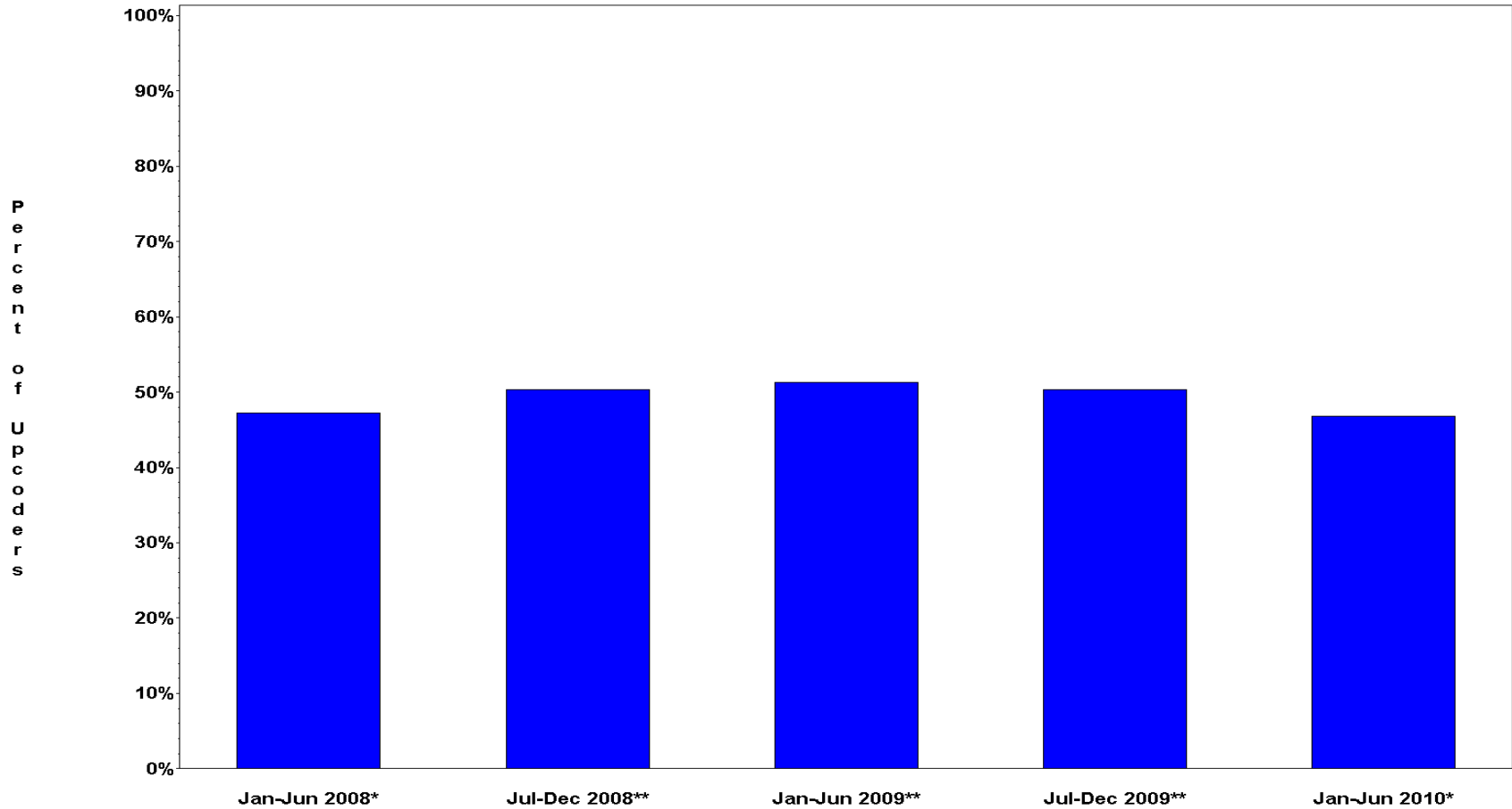
\*Jan 2008 – Jun 2008 data based on PIN

\*\*Jul 2008 – Sep 2010 data based on NPI

# J4 E&M BETOS Code M2A

Dates of Service January 2010 – June 2010

Paid Dates January 2010 – September 2010



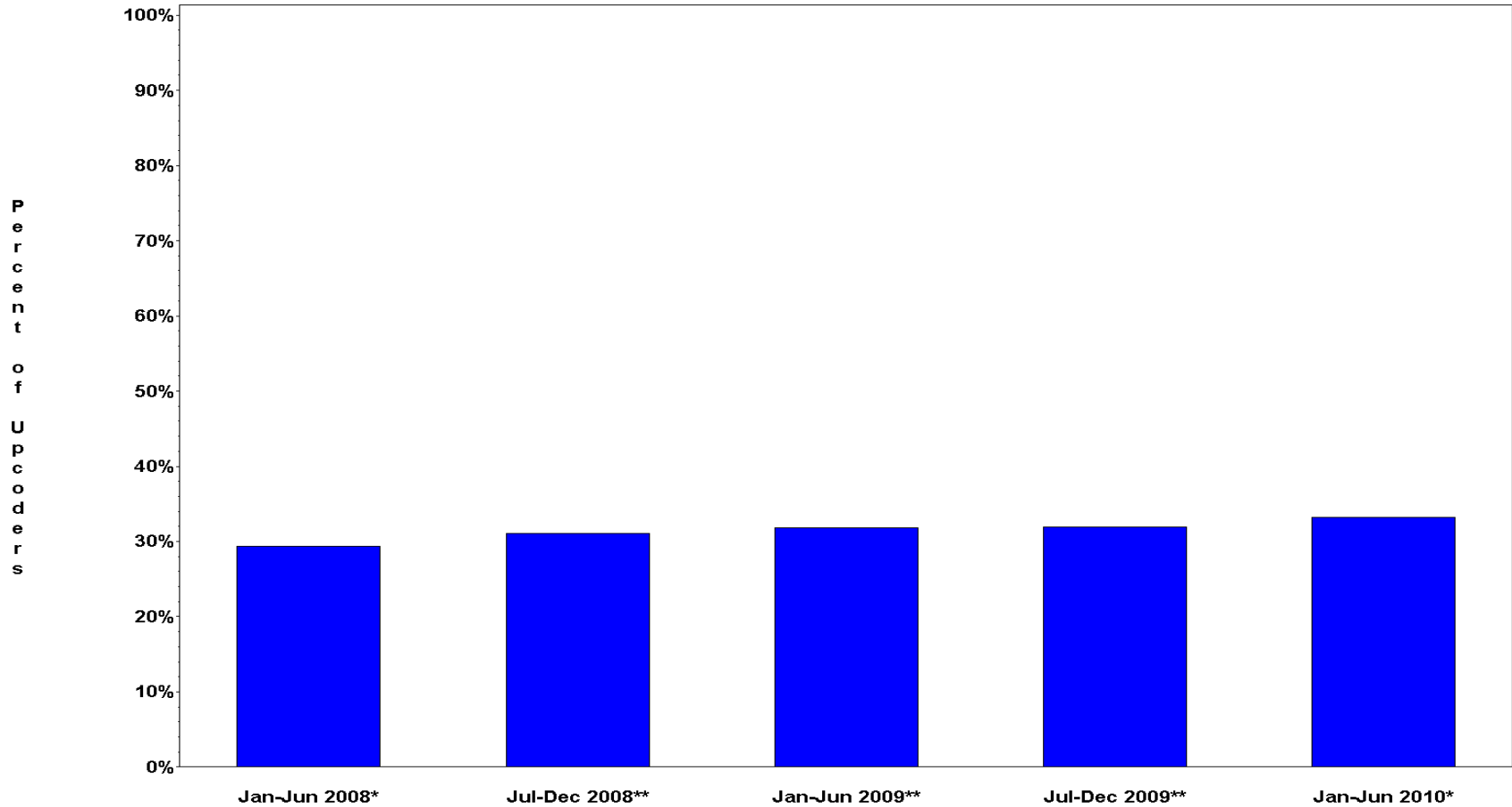
\*Jan 2008 – Jun 2008 data based on PIN

\*\*Jul 2008 – Sep 2010 data based on NPI

# J4 E&M BETOS Code M2B

Dates of Service January 2010 – June 2010

Paid Dates January 2010 – September 2010



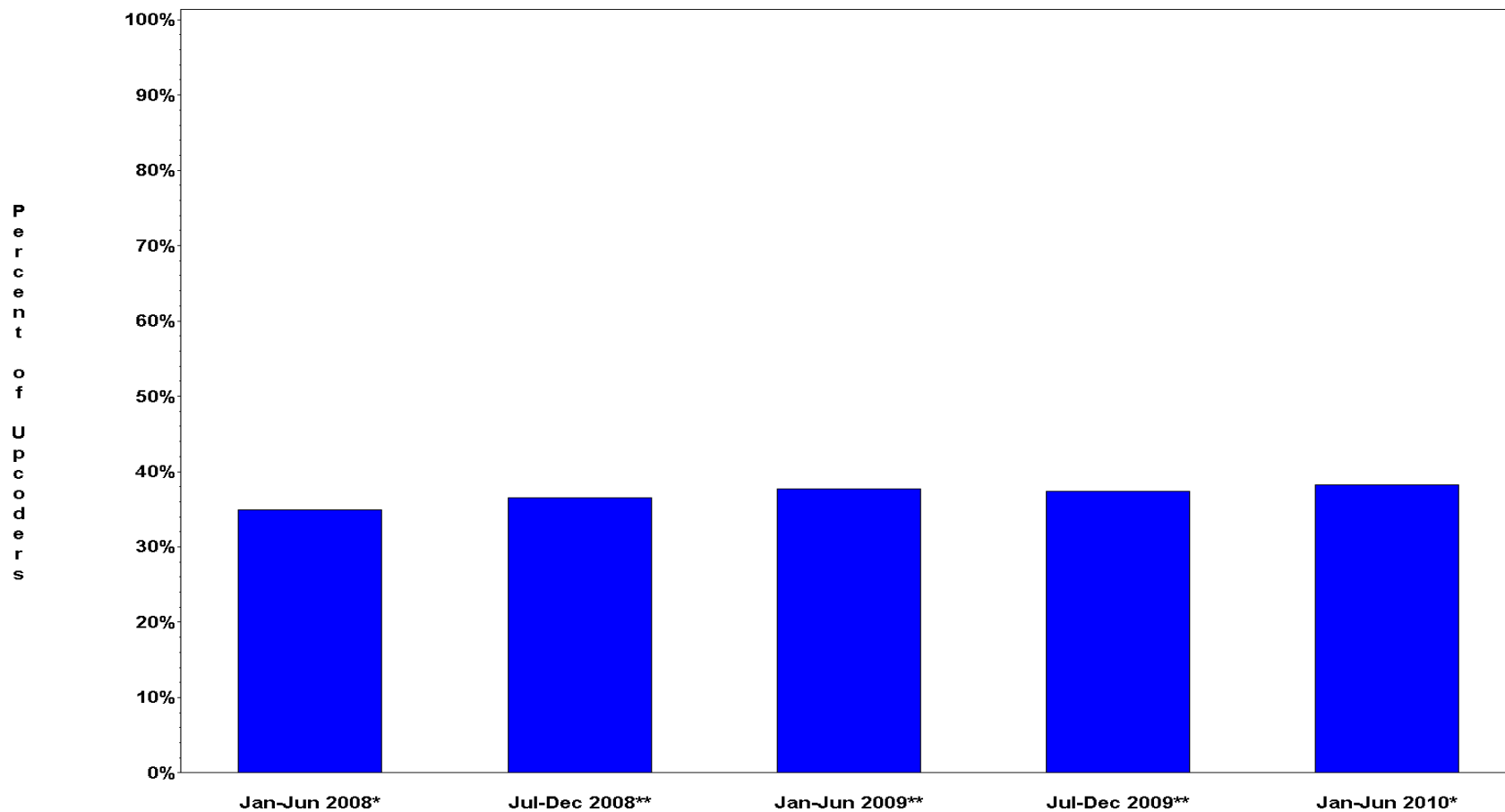
\*Jan 2008 – Jun 2008 data based on PIN

\*\*Jul 2008 – Sep 2010 data based on NPI

# J4 E&M BETOS Code M4B

Dates of Service January 2010 – June 2010

Paid Dates January 2010 – September 2010



\*Jan 2008 – Jun 2008 data based on PIN

\*\*Jul 2008 – Sep 2010 data based on NPI

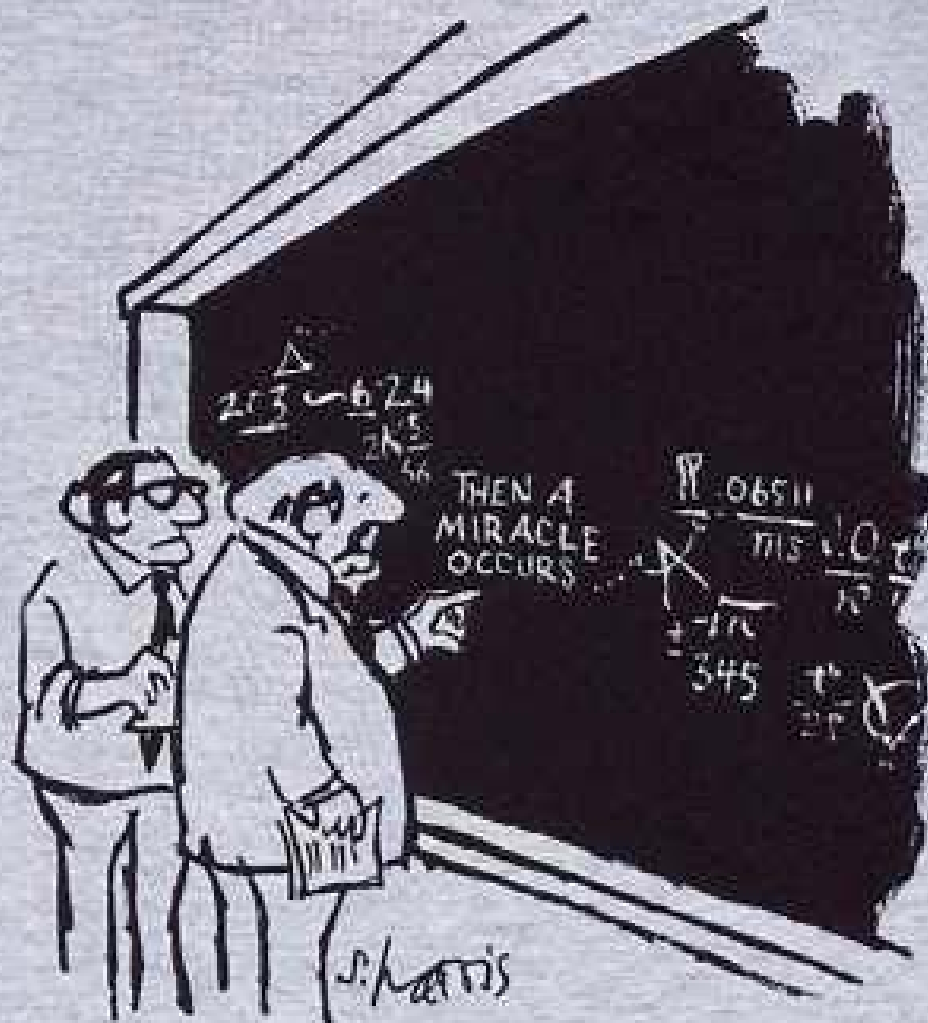
# E/M Utilization Overview

Education Makes the Difference

Education Makes the Difference

Education Makes the Difference

- Statistics below includes all payment areas and excludes NPIs with no peers. Number of allowed services are not limited.
- There are 64,542 NPIs out of 148,393 NPIs (43.49%) classified as upcoders.
- There are 140 upcoders above 3 standard deviations, 1,616 upcoders are between 2 standard deviations and 3 standard deviations, 26,613 upcoders are between the mean and 2 standard deviations, and 36,173 upcoders are between zero and the mean.
- Overall percentages of upcoding NPIs by BETOS code in descending order:
  - **M3 – 49.63%** ← **the worst**
  - **M1A – 47.50%**
  - **M2A – 46.81%**
  - **M1B – 43.64%**
  - **M4B – 38.20%**
  - **M2B – 33.25%**



"I THINK YOU SHOULD BE MORE EXPLICIT  
HERE IN STEP TWO."

# Other TrailBlazer Audits

Education Makes the Difference

Education Makes the Difference

Education Makes the Difference

## New Benefits and New Services

- 125 new HCPCS codes in 2010
- Data reveal significant aberrant utilization for several
  - Facet injections
  - Myocardial perfusion imaging
  - AV shunt for dialysis imaging and procedures
  - Docataxel and hyaluronic acid polymers
- Widespread and limited probes required

## What's Medicare Looking For?

- Validate the information on the face of the claim
- Verify that all Medicare benefit and medical necessity requirements were met
- Validate technical requirements such as signatures, attestations, certifications, etc.

## Documentation and Coding Vulnerabilities

- Patient's medical condition not described or described in very vague terms
- Patient's condition does not vary over time
- Circumstances described by modifiers not demonstrated (24, 25, 59, **GW**)

## Documentation and Coding Vulnerabilities

- CPT defined “work” not demonstrated
  - Procedures not documented
  - Level of effort not demonstrated
    - E/M
    - Surgical debridement
    - Infusion services
  - Procedures do not meet any CPT code definition or describe non-covered services
    - “Electroceutical” services
    - Nerve conduction studies
    - Using NOC codes to “unbundle” (cat I codes and CCI) and/or bypass automated edits (cat I and III codes)

## Documentation and Coding Vulnerabilities

- Performing and/or record author not identified **or identification does not conform to CMS requirement**
  - “Incident to”
  - Scribing
  - Teaching physician

## EMR Vulnerabilities

- Extensive, repetitious unnecessary documentation
  - Unrelated to the presenting problem
  - “Blown in” records
  - Documentation by “exception”
- Records lack individualization
  - “Cloned” notes
  - Templates
- Failure to identify users
  - Electronic signatures
  - Passwords
  - Audit trail

## Documentation Red Flags

- Documentation inconsistencies
  - Within the provider's own record
  - Compared to records of other providers
- Conclusions, impressions, and plans of care not supported by the facts
- Subjective statements not supported by objective information

*Education Makes the Difference*

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# Questions or Comments?



*Wipe your mouth,  
there's still a tiny  
bit of bull **Bleep!**  
around your lips.*

**Bleep!**