

# Medicaid Documentation

*Standard opening (lead-in music)*

**Narrator:** Welcome to the Medicaid Documentation Podcast. This podcast gives providers important program integrity information on documentation requirements in the Medicaid program. By being more aware of the requirements, providers can improve patient safety, preserve Medicaid resources, and protect themselves from the professional risks associated with inadequate documentation. Please join us as Gil and Jessica, two office managers for a multi-site health care practice, discuss the issue.

*(End music)*

*Scene – Jessica’s office:*

**Jessica:** Thanks for stopping by, Gil. Did you see this notice from State Medicaid officials? They’re going to audit our Medicaid claims.

**Gil:** I heard about the notice, but I didn’t see it. Give me the details.

**Jessica:** There aren’t many right now. The notice says they’ll be on-site in the next 60 days. Before they arrive, the State will send a list of services we’ve billed, and we are to pull the records so they can review them while they’re here.

**Gil:** I’ve never been through a State audit before. Weren’t they here a couple of years ago?

**Jessica:** Yep.

**Gil:** Why do you think they’re coming again so soon?

**Jessica:** I wondered that, too, until I did a little research on Medicaid improper payments. The Centers for Medicare & Medicaid Services (CMS) estimates there were \$17.5 billion in improper Medicaid payments made in 2014.[1]

**Gil:** That’s a lot of money lost in one program.

**Jessica:** It is, and poor documentation played a big role in the loss. I read that one of the most common problems with medical records is missing documentation, particularly treatment plans or plans of care, physicians’ orders, and progress notes.[2]

**Gil:** I think we do a pretty good job of making sure all of our documentation is in the medical records. Don’t you?

**Jessica:** Yes, I do, and I think we’ve improved a lot since the last time the State was here. I’m wondering if they’re coming back because they found some problems the last time they were here. I suppose it’s logical they check on us again with so much money at stake.

**Gil:** So what was the last audit like?

- Jessica:** It was a bit painful because we had to reimburse the State for some services we provided but failed to properly document. On the plus side, the audit identified things for us to correct going forward. We had shortcomings in our recordkeeping and in some of our policies, procedures, and forms. We've fixed all of that since they were here, so at least we're in better shape this time.
- Gil:** It seems to me everyone here takes documentation seriously. We all know that safety and quality patient care is related to correctly documenting medical records. In such a busy practice, the clinical staff relies heavily on those records to ensure they are providing the correct services.[3]
- Jessica:** You're right, Gil. Our last audit drove home the importance of documentation. After the audit, we found helpful information on the CMS Medicaid Integrity Education website. There were two things in particular that helped us refocus our efforts. The first was a toolkit called "Documentation Matters." [4] I found presentations, fact sheets, and other resources on both paper and electronic health records. It addressed some things we already knew and some we didn't, but it was definitely a useful reminder to all of us.
- Gil:** I remember being shown a fact sheet called "Medicaid Documentation for Medical Office Staff" when I started here. [5] It has a useful checklist on general Medicaid rules, such as ensuring that every service is medically necessary, providing services to eligible Medicaid patients by a qualified and eligible provider, and clearly and accurately documenting the services provided. We know those things are important, but when we get busy, it's kind of like the old joke: When you are up to your ears in alligators, you forget you're there to drain the swamp.
- Jessica:** That's true. I think the real value to us came from the proactive strategies brought out in that toolkit and another one on self-auditing. For example, one of the documents highlighted the importance of ensuring consistency among written policies, standards, procedures, government regulations, and on the various compendiums our providers and payers rely on.
- Gil:** We never did any self-auditing at my last job. We didn't think we had time for that.
- Jessica:** Neither did we until that last State audit. We realized then that we had to make the time. We needed to re-focus on the State's rules and regulations and how they affect what we do. We spend more time now monitoring the State's Medicaid website as well.
- Gil:** Was it hard to get folks to think about documenting in a new way?
- Jessica:** Sure, at first. Old habits are hard to change. But we were able to show how shortcomings in our own practices led directly to having to reimburse Medicaid for services we legitimately provided but simply failed to properly document. In short order, we were able to convince staff that it's important to take the time to do it right the first time.
- Gil:** Do you have time to walk me through what you started doing differently?
- Jessica:** Sure. We started with that second toolkit we found on the CMS website. [6] I found this fact sheet on conducting a self-audit particularly useful. It succinctly lists the steps we need to follow. Here's a copy of it if you haven't seen it already. [7]

- Gil:** Hmmm, this is very interesting. At first glance, I see the initial step was to gather a group of subject matter experts from within the practice to identify risks and then categorize those risks as high, medium, or low.
- Jessica:** That's right. Then we reviewed our standards and procedures for each of the risks, in priority order, to see where we needed to focus our corrective actions. We followed that up by testing a random sample of our medical services to see if they met both standards of care and documentation requirements.
- Gil:** I see CMS recommends correctly documenting our medical practices as well as documenting our compliance and self-audit efforts, too.
- Jessica:** Right again. That's how we demonstrate to outside entities, such as the State, that our commitment to compliance is real. It shows our good faith. It also helps us identify those areas that we need to concentrate on correcting and in what order we plan to address them. It was important that staff understood this wasn't a one-off. This process became integral to our internal oversight activities.
- Gil:** I get how important this is. What do you do about errors you find yourself?
- Jessica:** We correct them, immediately report them to the payer, and reconcile any possible improper payments. For Medicaid, we are obligated to return overpayments within 60 days of identifying them. Then we use the errors to analyze the need for any additional systemic changes.[8]
- Gil:** I assume most, if not all, of the problems you discovered were inadvertent errors, right?
- Jessica:** Yes. Luckily, our self-audits haven't identified any serious compliance issues. But if they ever did, we would disclose it. The self-audit toolkit has guidance on how to alert either the State or the U.S. Department of Health and Human Services' Office of Inspector General of noncompliance. HHS-OIG's website also provides additional information on it.[9]
- Gil:** I've been impressed how you take time in every monthly staff meeting to keep us posted on your progress in correcting both individual and systemic errors you've identified. I think that really helps staff understand what's at stake and what needs to be done for continuous improvement.
- Jessica:** Thanks, it's been an important part of our ongoing commitment to self-auditing.
- Gil:** This has been very helpful for me, Jessica. It's good to know we're doing the right thing.
- Jessica:** Agreed. It's like one of the slides from a CMS presentation on documenting said: Documentation done well justifies our claims, improves our patients' care and safety, protects our providers, follows the Medicaid rules and regulations, and reduces improper payments.[10]
- Gil:** Well, I guess the proof will be in the pudding. But I'm pretty sure we'll come through this audit with flying colors!

*(Standard closing with music)*

**Canned:** More questions? For additional information about documentation, contact your State Medicaid agency or the Centers for Medicare & Medicaid Services at [www.cms.gov](http://www.cms.gov). **Follow us on Twitter**  [#MedicaidIntegrity](https://twitter.com/MedicaidIntegrity)

*(End music)*

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