

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash –

NEW products from the Medicare Learning Network® (MLN)

- [“Information on the Centers for Medicare & Medicaid Services \(CMS\) Fraud Prevention: Automated Provider Screening and National Site Visit Initiatives,”](#) MLN Matters® Special Edition Article SE1211, Downloadable.

MLN Matters® Number: MM7771

Related Change Request (CR) #: CR 7771

Related CR Release Date: May 4, 2012

Effective Date: October 1, 2012

Related CR Transmittal #: R2463CP

Implementation Date: October 1, 2012

New Fiscal Intermediary Shared System (FISS) edit to review Medicare Outpatient Prospective Payment System (OPPS) Payments Exceeding Charges

Provider Types Affected

This MLN Matters® Article is intended for hospitals submitting claims to Medicare contractors (Fiscal Intermediaries (FIs) and A/B Medicare Administrative Contractors (MACs)) for Outpatient Prospective Payment System (OPPS) services to Medicare beneficiaries.

Provider Action Needed

This article is based on Change Request (CR) 7771 which informs Medicare contractors about changes to FISS edits for OPPS claims. Please make sure your billing staff is aware of these changes and complies with any requests from Medicare contractors for additional information on OPPS claims.

Background

The U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG), recently issued several final audit reports regarding the “Review of Medicare Payments Exceeding Charges for Outpatient Services Processed” to various MACs. Audit findings in these reports include:

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2011 American Medical Association.

providers reporting incorrect units of service and/ or incorrect Healthcare Common Procedure Coding System (HCPCS) codes, or use of HCPCS codes that do not reflect the procedures performed.

Based on findings in these reports, the Center for Medicare & Medicaid Services (CMS) is implementing a verification policy where the Outpatient Prospective Payment System (OPPS) payment is greater than the billed charges on bill types 12x, 13x and 14x.

Contractors will suspend those claims receiving the verification edit for development and contact providers to resolve billing errors. If the contractor determines that the reimbursement is excessive and claim corrections are required, the contractor will return the claim to the provider. If the contractor determines that the billing is accurate and the reimbursement is not excessive, the contractor will override the edit and continue to process the claim.

Additional Information

The official instruction, CR7771 issued to your FI or A/B MAC regarding this change may be viewed at <http://www.cms.hhs.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2463CP.pdf> on the CMS website.

If you have any questions, please contact your FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2011 American Medical Association.