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

Medicare Learning Network®

Official Information Health Care Professionals Can Trust

CERT
A/B MAC Outreach & Education
Task Force for Error-Free Medicare Claims

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Caring for Medicare Patients is a Partnership

As a patient's treating physician or non-physician practitioner, you may order, refer and/or provide health care services for your patient in partnership with other providers. Understanding the applicable Medicare coverage criteria (for example, medical necessity) and documentation guidelines for those services is extremely important for the accurate and timely processing and payment of both your claims and the claims of other entities, including physicians, other health care providers and suppliers who provide services for your patient.

Other physicians and health care providers may need your documentation or certification supporting the medical necessity of the services they provided secondary to your referral or order. Audits conducted by the Comprehensive Error Rate Testing (CERT) program, Recovery Auditors (RA), and Medicare Administrative Contractors (MAC) have frequently shown that available documentation lacks information to establish medical necessity. Audits also have consistently shown that the medical records provided by physician lack sufficient documentation to justify an item or service ordered by them. This lack of documentation on the physician part is causing a lack of payment for the services and the potential to cause your patient not to have access to care they need.

Cooperation of all providers of services to supply the necessary documentation and information is a requirement outlined in Section 1842(p)(4) of the Social Security Act. It states in part:

[i]n case of an item or service...ordered by a physician or a practitioner...but furnished by another entity, if the Secretary (or fiscal agent of the Secretary) requires the entity furnishing the item or service to provide diagnostic or other medical information in order for payment to be made to the entity, the physician or practitioner shall provide that information to the entity at the time that the item or service is ordered by the physician or practitioner.

The Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule permits disclosure of protected health information without beneficiary authorization to carry out treatment, payment, or health care operations. Providing requested documentation cannot be charged for and is not a HIPAA violation.

In the paragraphs below, we define Medical Necessity and Necessity of Documentation, and provide a list of what to include in your medical documentation.

Medical Necessity Defined

Under Title XVIII of the Social Security Act, Section 1862 (a)(1)(A), as "No payment may be made under Part A or Part B for expenses incurred for items or services which are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member."

Necessity of Documentation

Substantiates the necessity for those services or items provided or ordered. Coverage of services by Medicare depends on sufficient documentation to support medical necessity of the service(s). The documentation should provide a complete picture of what occurred during the encounter and why services you ordered/provided are necessary.

Documentation Supporting Medical Necessity must be complete, legible, and include, at a minimum:

- Identity of person providing the service(s)
- Date of service
- Patient's signs and symptoms
- Detail of the services rendered and items furnished
- Indication of where the services were provided
- Signed orders for services and the clinical rationale for the orders
- Rationale for the level of care provided
- Intensity, frequency, duration and scope of services
- Legible signature of the person rendering the service and the physician ordering and approving treatment plans. (If signature not legible - include a signature log showing name in print and signature)

Resources

The following helpful resources keep you current on these and other guidelines (not an all-inclusive list):

- Your Medicare Administrative Contractor's (MAC) website , which you will find at **http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/**;
- Centers for Medicare and Medicaid Services (CMS) website, especially the Medicare Learning Network Page at **https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/index.html**;
- CMS Internet Only Manual, especially the "Medicare Benefit Policy Manual," the "Medicare Claims Processing Manual," and the "Medicare Program integrity Manual," which are all listed at **https://www.cms.gov/regulations-and-guidance/guidance/manuals/internet-only-manuals-ioms.html**;
- The Durable Medical Equipment Medicare Administrative Contractor's (DME MAC) website is available at **https://www.cms.gov/Center/Provider-Type/Durable-Medical-Equipment-DME-Center.html**;
- The Code of Federal Regulations related to Medicare is available at **http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title42/42tab_02.tpl**; and
- Social Security Act, especially Section 1862 (a)(1)(A), which is available at **https://www.ssa.gov/OP_Home/ssact/title18/1862.htm**.

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