

Audio Title: Recovery Audit Program (RAP) Demonstration High-Risk Diagnosis Related Group (DRG) Coding Vulnerabilities for Inpatient Hospitals
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Welcome to Medicare Learning Network Podcasts at the Centers for Medicare and Medicaid Services, or “CMS”. These podcasts are developed and produced by the Medicare Learning Network® within CMS, and they provide official information for Medicare Fee-For-Service providers.

This podcast gives you information on the CMS Recovery Audit Program, or “R-A-P,” and its findings that contribute to improper Medicare payments.

If you are an Inpatient Hospital provider who submits Medicare Fee-For-Service claims to your Medicare Contractors, or “MACs,” you will benefit from this podcast! There are steps you can take to avoid denial of your claims, including accurately documenting medical services to support your claims. We will discuss some of the coding findings identified by the “R-A-P” in an effort to prevent future improper payment issues. It is essential that you understand “lessons learned” and also, implement corrective actions resulting from the R-A-P expansion and the initiation of complex medical review.

Consider this important information and take necessary action to meet Medicare documentation requirements. This avoids DENIAL of your claims!

The Centers for Medicare and Medicaid Services, or “C-M-S,” directed the R-A-P to identify Medicare payment recovery auditing effectiveness in reducing improper payments. As the R-A-P makes efforts to attain this primary goal, supplemental goals emerge.

CMS collects improper payment information from the R-A-Ps at the claims level. Topping the list are the following four (4) improper payments:

- Operating Room Procedure for Infections, Parasitic Diseases at \$10 M,
- Closed Biopsy of Lung at \$11.7 M,
- Respiratory System Diagnosis with Vent support at \$16M, and
- The largest improper payment, Coagulopathy at \$19.1 M

CMS denied these claims because the related documentation submitted did not support the codes billed.

Please note, this list of findings DOES NOT include appeal results.



CMS identifies the following five (5) reminders for Inpatient Hospital Medical Documentation and the rules for reporting secondary diagnoses that affect patient care:

- One, Clinical Evaluation,
- Two, Diagnostic Treatment,
- Three, Therapeutic Treatment,
- Four, Increase in Length of Stay, or “L-O-S,” and
- Five, Increase in nursing care or monitoring.

CMS encourages providers to complete all fields on documentation tools, such as assessments, flow sheets, and checklists. If a field is not applicable, CMS recommends use of “N/A” (or, “Not Applicable”) to show you reviewed and answered each question. Fields that you leave blank can lead the reviewer to make an inaccurate claim determination.

CMS also encourages you to review and comply with inpatient hospital policy, as cited in the **ICD-9-CM Official Guidelines for Coding and Reporting**. In the absence of a specific Medicare Policy, the MACs may use clinical review judgment to make a payment determination.

Non-legible documentation affects the R-A-P reviewer’s ability to support the medical necessity and appropriate setting of the billed services.

During the review of R-A-P data, reviewers noted that entries in the medical records were inconsistent. CMS encourages you to ensure that all entries ARE consistent with other parts of the medical record, including but not limited to:

- Assessments,
- Treatment plans,
- Physician orders,
- Nursing notes,
- Medication and treatment records,
- And other documentation, such as admission and discharge data and Pharmacy records.

If an entry contradicts documentation found elsewhere in the record, you should obtain clarification documented by the attending physician.

Lastly, CMS reminds you to add any information that affects the billed services even if you acquire it after physician documentation is complete. This complies with accepted standards for amending medical record documentation.



For more information about the improper Medicare payment findings and updates on the National Recovery Audit Program, please visit the CMS R-A-P website at www.cms.gov/RAC. You may register to receive email updates and view current nationwide R-A-P activities through this website.

More questions? Contact your Medicare contractor or visit our website <http://www.cms.gov/MLNGenInfo> and follow the links to MLN Matters Articles and download the full article on this subject, #SE1028. Be on the lookout for information regarding future MLN podcasts.

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