

# Medicaid Documentation for Medical Professionals

## Medicaid Medical Record Documentation

Medical professionals are in the business of helping their patients. Patients are their priority, whether the professional is a physician, pharmacist, nurse, therapist, or any of the many other types of medical professionals. Meeting ongoing patient needs such as furnishing and coordinating necessary medical services is impossible without documenting each patient encounter completely, accurately, and in a timely manner. Documentation is often the communication tool used by and between medical professionals. Records not properly documented with all relevant and important facts can prevent the next provider from furnishing sufficient services. The outcome can result in erratic or even dangerous treatment and cause unintended complications.

While meeting patient needs is the most important reason for documenting services, it is not the only one. Another reason for documenting medical services includes complying with Federal[1] and State laws.[2] These laws require Medicaid providers to maintain the records necessary to “fully disclose the extent of the services,” care, and supplies furnished to beneficiaries,[3] as well as support claims billed.

## General Medicaid Rules

Medicaid is a unique program. Individual Medicaid programs vary according to each State’s statutes within broad Federal guidelines. Each State has the option of developing and implementing a State-specific program(s) through the State Medicaid Plan and waiver programs. Medical professionals are responsible for knowing and abiding by the State-specific rules where they furnish services and for each of the programs for which they furnish services. There are some general rules that apply to all State Medicaid programs. These rules include:

- Beneficiaries are eligible for services at the time they are furnished;
- Services are furnished by licensed, qualified, Medicaid-approved providers;
- To the extent required by the State, services are medically necessary;
- To the extent required by the State, Medical necessity and medical rationale are documented and justified in the medical record (remember, each State adopts its own medical necessity definition);[4]
- Accurate, clear, and concise medical records are maintained and available for review and audit;
- Physicians’ orders or certifications are in the medical record when required (for example, inpatient hospitalizations or home health services);
- All medical record entries are legible, signed, and dated;
- Medical records are never altered;
- Services are correctly coded;
- Only covered services are billed; and
- Overpayments are returned within 60 days.[5]

## Prevent Problems—Self-Audit

Medical professionals have specific responsibilities when they accept reimbursement from a government program. They “have a duty to ensure that the claims submitted to Federal health care programs are true and accurate,”[6] and that their medical record documentation supports and justifies billed services. Medical professionals’ documentation is open to scrutiny by many, including employers, Federal and State reviewers, and auditors.[7, 8] They can protect themselves and their practices by implementing an internal self-auditing strategy.

There are five basic self-audit rules medical professionals can use to get started:

1. Develop and implement a solid medical record documentation policy if there is not one in place. If there is one in place, make sure the policy covers meeting Federal and State Medicaid regulations. The policy should address what actually happens in everyday practice.
2. Develop or use one of the available standard medical audit tools. The tool should cover the documentation policy criteria and coding standards as part of the review.
3. Choose a staff member who understands documentation and coding principles to select a random sample of records for a specific time period. Decide how many records should be reviewed, and then pull every “nth” chart for that time period.
4. Resist being the one to choose and audit your own charts. Most professionals can read their own writing and understand the meaning of records they wrote even if the documentation is not in the record. Removing bias is important. For best results, make the audit as realistic as possible.
5. Use the self-audit results for improving practice compliance. There is no real value in conducting a self-audit unless discovered issues are resolved. Review and analyze the audit findings. Identify the common documentation, coding, and billing problems, and solve the problems found. Then educate staff members and hold them accountable for making changes. After implementing any corrective action, audit the process again to ensure improved compliance and successful implementation.

Electronic health records (EHRs) require similar methods, but the unique nature of an EHR requires extra precautions.

1. Make sure auto-fill and keyword features are turned off. Watch for “cloned” notes—notes that appear identical for different visits; these may not reflect the uniqueness of the encounter or the patient’s description of their chief complaint.
2. Make sure all notes have a date and time stamp, even when updating patient history and life events. Separate notes entered at different times by paragraph returns or other clear punctuation or spacing.
3. Make sure any edits to the patient’s record are also initialed or identified with the person making the edit.

## Report Fraud, Waste, and Abuse

If you are aware of or suspect fraud, waste, or abuse, report it to the authorities:

- State Medicaid agency and Medicaid Fraud Control Unit  
[https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforConsumers/Report\\_Fraud\\_and\\_Suspected\\_Fraud.html](https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforConsumers/Report_Fraud_and_Suspected_Fraud.html)
- U.S. Department of Health and Human Services, Office of Inspector General  
ATTN: Hotline  
P.O. Box 23489 Washington, D.C. 20026  
Phone: 1-800-447-8477 (1-800-HHS-TIPS)  
TTY: 1-800-377-4950  
Fax: 1-800-223-8164  
Email: [HHSTips@oig.hhs.gov](mailto:HHSTips@oig.hhs.gov)  
Website: <https://forms.oig.hhs.gov/hotlineoperations>

To see the electronic version of this fact sheet and the other products included in the “Documentation Matters” Toolkit, visit the Medicaid Program Integrity Education page at <http://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/edmic-landing.html> on the CMS website.

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## References

- 1 Social Security Act §1902(a)(27). Retrieved October 13, 2015, from [https://www.socialsecurity.gov/OP\\_Home/ssact/title19/1902.htm](https://www.socialsecurity.gov/OP_Home/ssact/title19/1902.htm)
- 2 Medicaid Services. General Provisions. 405 Ind. Admin. Code § 5-1-5. Retrieved October 13, 2015, from [http://www.in.gov/legislative/iac/iac\\_title?iact=405&iaca=5](http://www.in.gov/legislative/iac/iac_title?iact=405&iaca=5)
- 3 Social Security Act §1902(a)(27). Retrieved October 13, 2015, from [https://www.socialsecurity.gov/OP\\_Home/ssact/title19/1902.htm](https://www.socialsecurity.gov/OP_Home/ssact/title19/1902.htm)
- 4 Sufficiency of Amount, Duration, and Scope, 42 C.F.R. § 440.230(d). Retrieved October 13, 2015, from <http://www.ecfr.gov/cgi-bin/text-idx?SID=3a883acd22fb4017f180b8c695db4456&node=42:4.0.1.1.9.2.112.5&rgn=div8>
- 5 Social Security Act § 1128J(d)(1)–(2). Retrieved October 13, 2015, from [https://www.ssa.gov/OP\\_Home/ssact/title11/1128J.htm](https://www.ssa.gov/OP_Home/ssact/title11/1128J.htm)
- 6 U.S. Department of Health and Human Services. Office of Inspector General. (2000, October 5). Notices. OIG Compliance Program for Individual and Small Group Physician Practices. 65 Fed. Reg. 59434 and 59435. Retrieved October 13, 2015, from <https://oig.hhs.gov/authorities/docs/physician.pdf>
- 7 Social Security Act §1902(a)(30)(A). Retrieved October 13, 2015, from [https://www.ssa.gov/OP\\_Home/ssact/title19/1902.htm](https://www.ssa.gov/OP_Home/ssact/title19/1902.htm)
- 8 Post-Payment Review Process, 42 C.F.R. § 456.23. Retrieved October 13, 2015, from [http://www.ecfr.gov/cgi-bin/text-idx?SID=c288145a7b1d00cb5b0c6e5afa5ec51d&mc=true&node=se42.4.456\\_123&rgn=div8](http://www.ecfr.gov/cgi-bin/text-idx?SID=c288145a7b1d00cb5b0c6e5afa5ec51d&mc=true&node=se42.4.456_123&rgn=div8)

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