

Division of Medical Review (DMR) Updates

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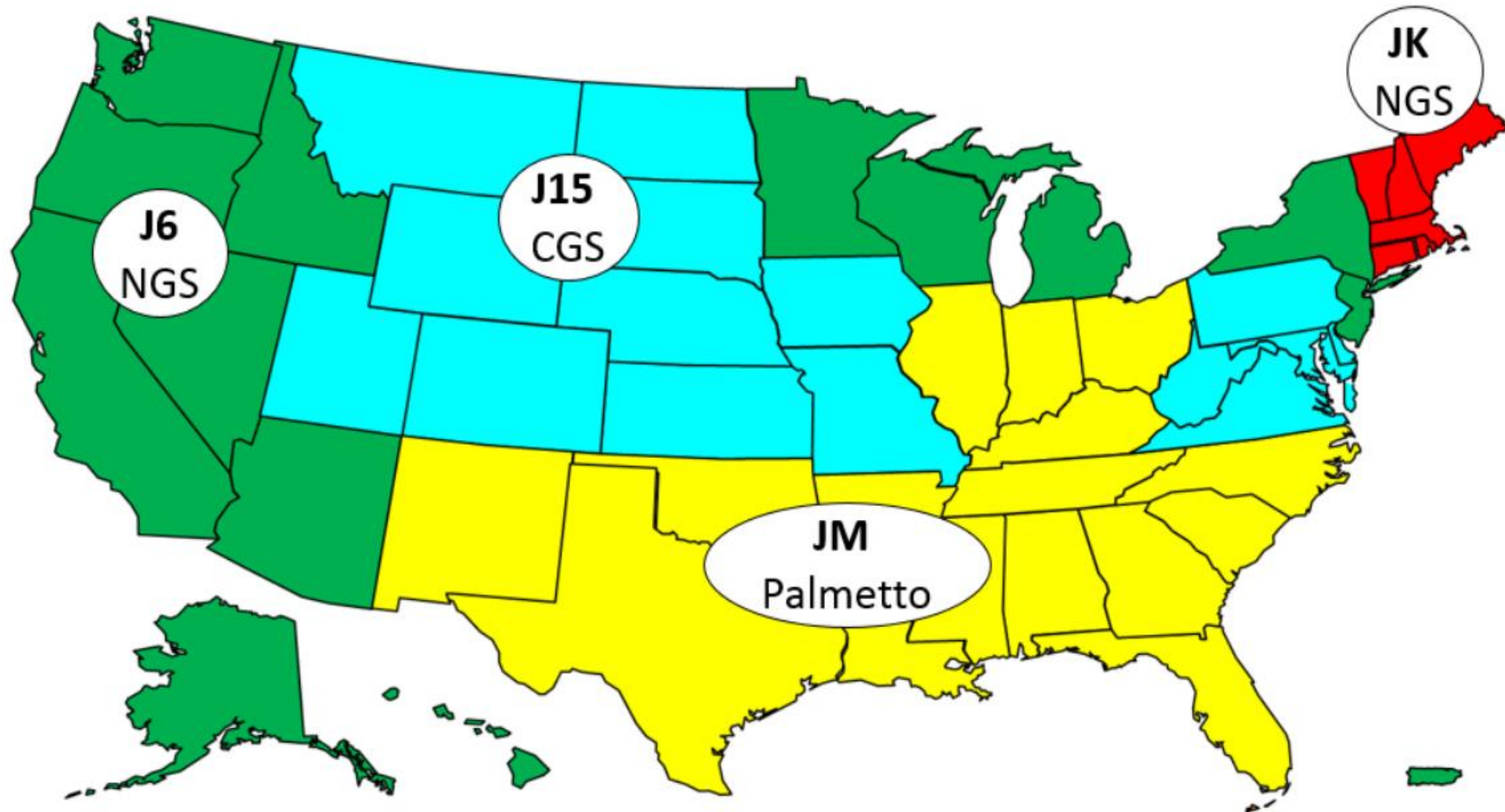
DMR works together with its contractors to:

- Protect the Medicare Trust Fund from existing or future payment errors by ensuring that claims are appropriately paid
- Educate providers/suppliers in the community to help ensure compliance

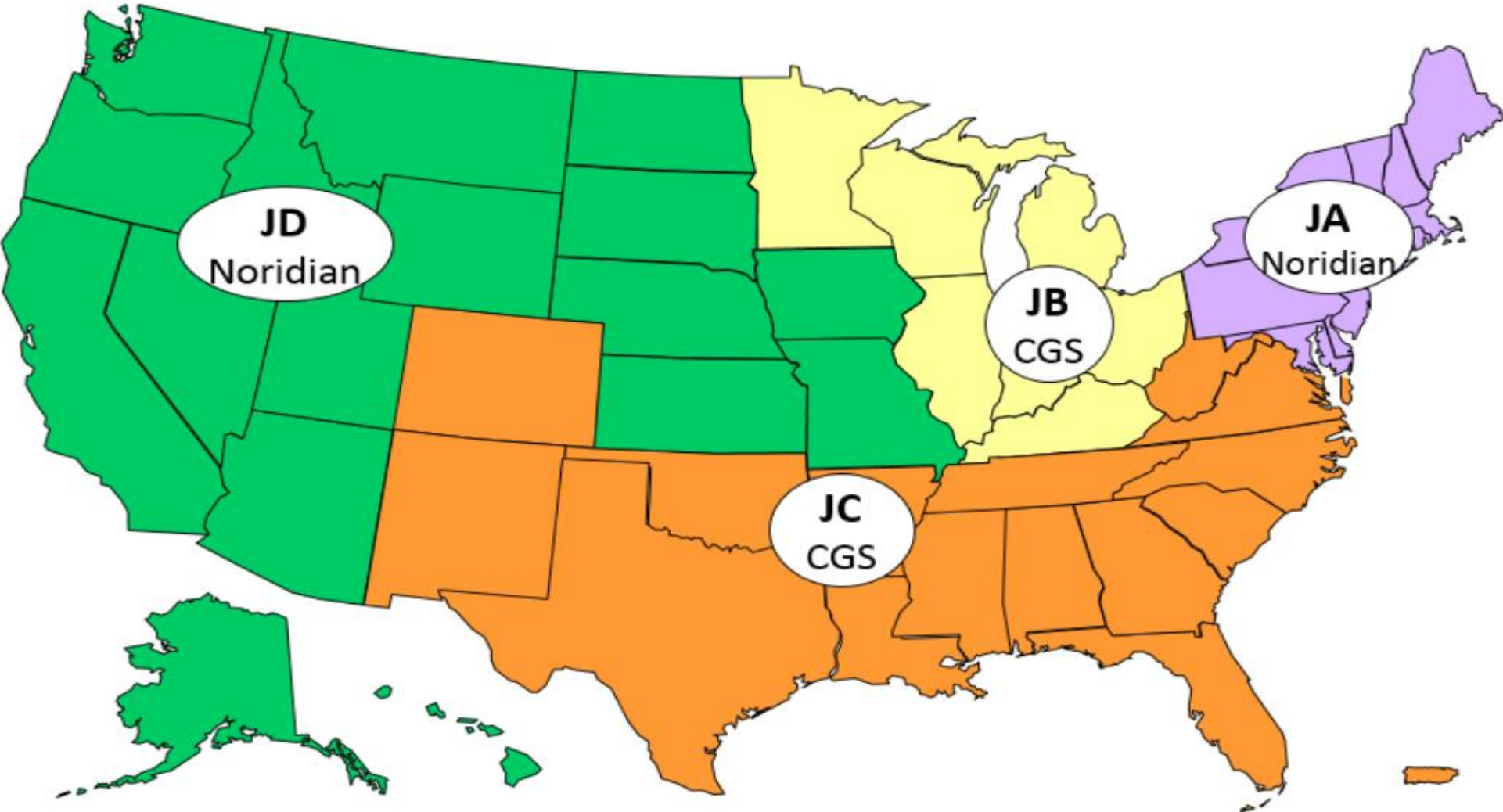
Medicare Administrative Contractors (MACs)

- To prevent improper payments and protect the Medicare Trust Fund, MACs operate the Medicare Fee-for-Service (FFS) medical review program
- MACs perform data analysis of FFS claims to identify atypical billing patterns and perform medical reviews, including Targeted Probe and Educate (TPE) reviews
 - MACs are multi-state, regional contractors
 - 12 A/B MACs
 - 4 Home Health & Hospice MACs
 - 4 Durable Medical Equipment MACs

Home Health & Hospice MAC Jurisdictions



DME MAC Jurisdictions



The Supplemental Medical Review Contractor (SMRC)

- CMS specialty contractor
- Contract is held by Noridian Healthcare Solutions
- Performs and/or provides support for lowering improper payment rates through data analysis, research, and reviews on potential program vulnerabilities
- Conducts nationwide post-payment medical reviews as directed by CMS, based upon vulnerabilities identified by the OIG, GAO, and other sources

SMRC Updates



In FY 2023, the SMRC conducted post-payment reviews for:

- 7,936 hospital outpatient claims
- 4,588 SNF claims
- 7,184 IRF claims
- 38,604 hospice claims
- 5,897 DME claims

Targeted Probe and Educate (TPE)



The TPE program is designed to help providers and suppliers reduce claim denials and appeals.

- Consists of up to three rounds of review of 20-40 claims per round
- One-on-one education is provided after each round
- Intra-probe education is used to address easily curable errors identified during each round of reviews
- After 3 rounds, CMS decides on the next steps if no improvements

Targeted Probe and Educate (TPE)



In FY 2023, MACs reviewed:

- 3,888 hospital outpatient providers
- 193 IRF providers
- 1,356 SNF providers
- 1,033 home health agencies
- 762 hospice providers
- 5,073 DME suppliers

Medical Review Initiatives

Face-to-Face Encounter & Written Order Prior to Delivery List



On May 13, 2024, CMS published Notice CMS-6095-N that added 13 HCPCS codes to the Required F2F/WOPD List:

- 3 hospital beds
- 2 osteogenesis stimulators
- 6 lumbar sacral orthoses
- 2 knee orthoses
- One orthosis code was removed from the list due to its removal from the Master List
- As of August 12, 2024, 75 DMEPOS items will require face-to-face encounters and written orders prior to delivery

Face-to-Face Encounter & Written Order Prior to Delivery List



What does this mean for providers/suppliers?

- If on the list, the provider must:
 - Have a face-to-face encounter within the six months prior to the written order
 - It can be performed through a telehealth service, as defined in §§ 410.78 and 414.65
 - Supply the written order prior to delivery of the item

Education Driven Initiatives

Skilled Nursing Facility (SNF) 5-Claim Probe and Educate Review



- The Comprehensive Error Rate Testing (CERT) program projected an improper payment rate of 15.1% for SNF services in 2022, up from 7.79% in 2021
- SNF service errors were determined to be the top driver of the overall Medicare Fee-for-Service improper payment rate
- As part of the effort to reduce the improper payment rate, CPI has directed the MACs to complete a 5-Claim Probe and Educate review on each of the approximately 15,000 SNF providers that bill Medicare

SNF 5-Claim Probe and Educate Review



- MACs review 5 claims from each SNF in their jurisdiction
- MACs provide 1:1 education to all providers with errors in more than 1 of 5 claims selected for review
- Providers with errors in only 1 of 5 claims (or no errors) have the option to request 1:1 education
- MACs also provide widespread education to SNFs
- Project is ongoing and CMS will continue to monitor the progress

Low Biller Probe and Educate Pilot



The Low Biller Pilot targets and educates lower billing providers/suppliers that are not reviewed under TPE.

- Began in April 2023
- Includes MAC Jurisdictions D, C, and M
- Smaller claim volumes per probe
- Additional times between rounds of review to implement changes after 1:1 education

Low Biller Probe and Educate Pilot



TPE vs Low Biller P&E

	TPE	Low Biller P&E
Providers	Intended to capture providers/suppliers who bill at least 20 claims in a 3-month period	Intended to capture providers/suppliers who bill less than 20 claims in a 3-month period
Rounds	Includes up to 3 rounds of review of 20-40 claims followed by one-on-one education	Includes up to 3 rounds of review of 5 claims followed by one-on-one education
Errors	MAC discretion regarding moving to additional rounds of review	CMS dictates error rates that result in progression to additional rounds of review
Education	MAC allows 45 days after one-on-one education prior to beginning subsequent rounds of review	MAC allows 3 months after one-on-one education prior to beginning subsequent rounds of review

MAC Medical Review of New Hospices



- The Agency received numerous reports of hospice fraud, waste, and abuse
- The number of enrolling hospices had also increased significantly, raising serious concerns about market oversaturation
- In FY 2023, CMS announced its intent to place newly enrolling hospices located in Arizona, California, Nevada, and Texas into a provisional period of enhanced oversight (PPEO)

MAC Medical Review of New Hospices



- PPEO is provided to newly enrolling hospices, hospices that submit a change of ownership, and hospices that are undergoing a 100% ownership change
- Hospices will remain in the PPEO for 30 days to 1 year
- CMS is conducting additional prepayment medical reviews on these hospices

Division Medical Review



**For further information about the
Division of Medical Review activities, please visit:**

www.cms.gov/data-research/monitoring-programs/medicare-fee-service-compliance-programs/medical-review-and-education

Questions

You can also send your questions to the medicaremedicalreview@cms.hhs.gov box at any time.

A large graphic on the right side of the slide. It features the letters 'Q&A' in a bold, white, sans-serif font. The ampersand is a smaller, blue font. The background is a dark blue triangle with a lighter blue geometric pattern. Several white question marks of varying sizes are scattered around the 'Q&A' text.

Q&A