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Medicare and Medicaid Recovery Auditor Newsletter

February 2015

If there are any RAC concerns that need to be addressed with CGI, HMS, Truven Health Analytics, OMPP or CMS, please contact Dave Wiesman, IHA Vice President, at dwiesman@IHAconnect.org or 317-423-7741.

CGI NEWS

On 2/13/2015, CGI began the first round of post payment therapy cap reviews. Every provider should have received at least one ADR for therapy services where the cap was exceeded. The review will focus on ensuring that medical necessity is supported for providing a therapy service beyond the cap. Subsequent post payment reviews will increase incrementally going forward. These claims would have been processed and paid but now may be denied if medical necessity is not documented.

The next round of ADR letters for DRG and Drug reviews will be sent on 2/24/2015. The therapy cap review rounds will be separate from the DRG and Drug ADR letters.

In February, CGI scored a 61% by the CMS Validation Contractor. The low score was associated with underpayments that were inadvertently adjusted as overpayments. In January, the 91% accuracy rate was modified or reversed 8% by the Validation Contractor because providers subsequently submitted additional information in relation to drug reviews.

PROVIDER NEWS

One hospital system has reported to IHA that they have received Demand Letters on old claims that were in the system but not addressed prior to the conclusion of CGI's contract in June, 2014. CGI confirmed that CMS has given them approval to pursue the resolution of adjustments for claims held in the Medicare system prior to June and may even be dated back to 2013.

SUPPLEMENTAL MEDICAL REVIEW CONTRACTOR

The CMS SMRC is Strategic Health Solutions. The SMRC is responsible for performing a variety of tasks aimed at lowering improper payment rates and increasing efficiencies in medical review functions. Reviews can be conducted on Part A, Part B and DME claims. The SMRC is not governed under the same scope of work as the current recovery auditors. If a provider has questions regarding the SMRC, the contact at CMS is Vicki Chitwood. Her contact information is vicki.chitwood@cms.hhs.gov or 410-786-7776.
