OIG AUDITS

What to Expect and How to Prepare

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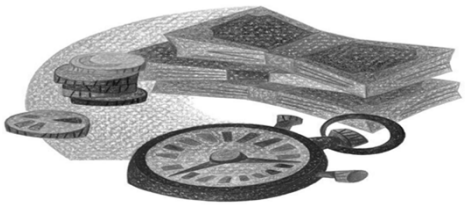

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Overview

- ✓ OIG's selection process
- ✓ Typical areas of focus
- ✓ How to best manage the gathering & submission of information
- ✓ Timing and what to expect
- ✓ Communication and management of leadership expectations
- ✓ Appeals
- ✓ Questions

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OIG Selection Process
How YOU Look to the Auditors

- RAC –Medicare Recovery Auditors *National*
- NGS Medicare– Local MAC
- CERT –Medicare Comprehensive Error Rate Testing *National*
- PEPPER Program for Evaluating Payment Patterns Electronic Report *National*

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PEPPER

- PEPPER reports *National*
  - Program for Evaluating Payment Patterns Electronic Report (PEPPER)
  - National High Outlier Ranking Report Ranks Hospitals Quarterly
  - Link: www.pepperresources.org

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OIG Focus Areas

- OIG Work Plan -available on on-line
  https://oig.hhs.gov/reports-and-publications/workplan/
- High error rates in other audits
  - RAC
  - CERT/ Comprehensive Error Rate Testing
  - Medicare contractors

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Typical Areas of OIG Focus

Risk Areas for Review
Manufacturer Credits for Replaced Devices
Inpatient Rehabilitation
Inpatient High Severity Level DRGs
Outpatient Modifier 25 for Separate Evaluation and Management Services (E/M)
Outpatient Modifier 59 for Distinct Services
Dental Claims
Outpatient Drug Claims: Herceptin and others

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How Best to Manage the Audit

- Gathering Information
- Assembling a Response Team
- Identifying Internal and External Resources
- Responding to Auditor Questions
- Managing the Data
- Submission of the Audit Materials

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Recommendations for Communication within the Organization

- Managing leadership expectations
- Ongoing and regular communications
- Communication with finance
- Level setting
- Remember you are immersed in it but leadership may not be

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Recommendations for Communicating with the Auditors

- Keep track of everything!
- Produce everything to fully support your claim
- The topic selected for review will not be the only item reviewed
- Use your team to present support for your position during the audit

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What to Ask for During the Audit

- Exclude previously audited RAC claims
- Exclude claims that were not final claims
- Exclude any other claims previously repaid
- Enough identifiers for each case to easily identify the claims in your internal system
- Universe for each sample category
  - May not receive it until the audit is concluded

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What Helps to Support Claims During the Audit?

- Documentation from physicians for inpatient admission versus outpatient observation
  - Reasons for ordering inpatient admission
  - Physician partnership and involvement
- Coding guidelines – Coding Clinic

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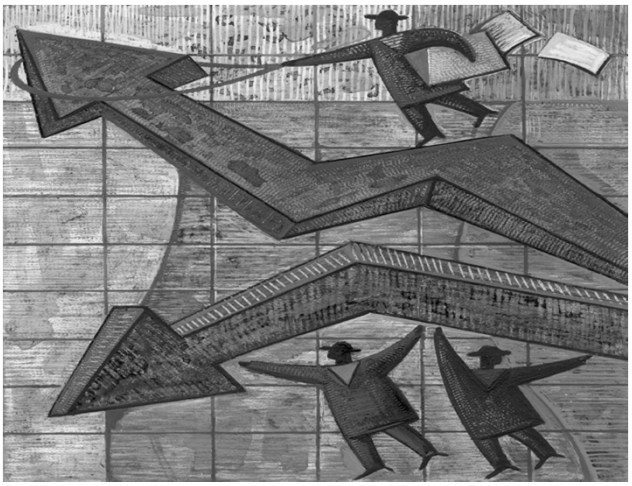
Appeals & Denials



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Appeals

- What to Expect
- Resources to support your appeals
  - Engaging a consultant
  - Obtain a contact at the Medicare MAC
  - Filing appeals as one batch

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Appeals – Multiple Levels

- Plan for Multiple Levels of Appeal
- Identify Appeal Decisions/Denials
  - Track
    - Respond timely with records
      - Appeal timely
        - Report internally

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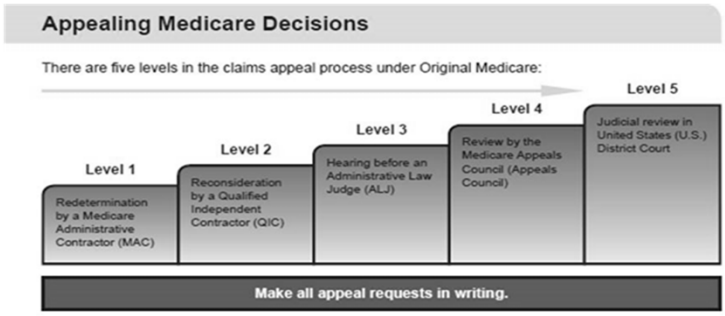
Appeal Levels



CMS Fact Sheet at www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/MedicareAppealsprocess.pdf

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Appeals – Things to Watch!

- Timing and Deadlines
- Watch for Denial Letters! *Who receives them?*
- Decisions
- Expectations

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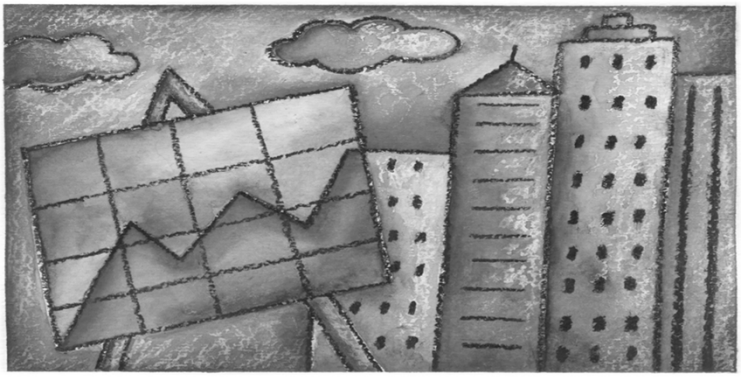
Questions?



Thank you

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