

## Part B Insider (Multispecialty) Coding Alert

### Medicare Errors: Practices Underbilled \$1.3 Billion in 2013, CMS Report Shows

**CERT results reveal that initial hospital care, chiropractic visits topped list of Part B errors last year.**

If your practice's collections rate was off by 10.5 percent, you'd be in big trouble, right? Well, that's the 2013 Part B improper payment rate, based on information that CMS recently released, which also shows that medical practitioners left over \$1 billion on the table by undercoding claims.

CMS's new Comprehensive Error Rate Testing (CERT) results, which were released last month, show that chiropractic visits had far and away the most errors, totaling a 51.5 percent error rate in that specialty. Following behind were initial hospital care visits, which showed a 28.3 percent error rate, and lab tests, which were improperly billed 26.1 percent of the time.

**Documentation:** The majority of the errors that CMS found involved insufficient documentation, which comprised 56.8 percent of the incorrect payments. The next most common issues were medical necessity errors (26.6 percent), incorrect coding (13.7 percent) and no documentation (1.4 percent).

**Downcoding:** Not all errors involved upcoding, however. CMS actually found that \$1.3 billion in coding errors were due to instances where practices reported lower codes than their documentation justified. This means that medical practitioners shorted themselves out of significant reimbursement last year.

Among the most often undercoded Part B services were kidney and urinary tract procedures, pacemaker implantations, outpatient hospital visits, established patient office visits, subsequent hospital care, and treatment of peripheral vascular disorders, the report notes.

#### Avoid These E/M Errors

Interested in avoiding the most common culprits that led to such a high Part B error rate? Then you should nail down your E/M claims going forward. The following errors stood out as the most glaring E/M problems among Part B practices:

Service Improper payment rate	Improper payment amount
Subsequent hospital care 18.2%	\$1 billion
Established patient office visits 7.1%	\$965 million
Initial hospital visits 28.3%	\$799 million
New patient office visits 18.9%	\$493 million
Nursing home visits 13.9%	\$248 million
Emergency room visits	\$239 million

11.6%

Critical care  
22.9%

\$200 million

For tips on how to report initial hospital care, which had the highest improper payment rate, read our article "Report Hospital Visits Properly to Avoid Being A CERT Statistic" on page 67.

To read the complete CERT results, visit

[www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/Downloads/November2013ReportPeriodAppendixFinal12-13-2013\\_508Compliance\\_Approved12-27-13.pdf](http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/Downloads/November2013ReportPeriodAppendixFinal12-13-2013_508Compliance_Approved12-27-13.pdf).