

Part B Insider (Multispecialty) Coding Alert

PHYSICAL THERAPY: PT Not OK, Warns OIG

Medicare spends \$136 million on improper claims

Your physical therapy claims could be a legal nightmare waiting to happen if your documentation isn't up to snuff.

The **HHS Office of Inspector General** (OIG) found that 91 percent of physical therapy billed by physicians in 2002 had serious problems. Medicare spent \$136 million on PT that may not have been billed properly, the OIG warns in its new report, "Physical Therapy Billed by Physicians" (OEI-09-02-00200).

The biggest problem: inadequate documentation, which left reviewers unable to figure out whether the therapy services met quality standards. The OIG also found problems with physicians' billing patterns and "unusually high volumes of claims," that raised concerns that physical therapy billing could be vulnerable to abuse.

Roughly a quarter of physical therapy claims weren't medically necessary, the OIG found. And another 34 percent either had incomplete documentation or no response to the OIG's request for documentation. A startling 39 percent either had no plan of care or an incomplete plan of care. Some 18 percent of claims had two or more of these problems.

In the past couple of years, the **Centers for Medicare & Medicaid Services** (CMS) has issued a new regulation that increased the requirements for the level of skill of providers who practice physical therapy incident to a physician's services. CMS also put out a transmittal last year that clarified Medicare's policy on physical therapy services.

Note: Read the OIG report at <http://www.oig.hhs.gov/oei/reports/oei-09-02-00200.pdf>.