

Part B Insider (Multispecialty) Coding Alert

Physician Notes: CMS 'Regrets Inconvenience' of Erroneously Requesting Overpayments

Plus: CMS clarifies rules for opting out of Medicare.

Your physician treated a patient, you submitted a bill to Medicare, collected your payment, and that was that—until CMS sent you a letter demanding a refund since its records indicated you were treating a patient who was incarcerated on the date of service.

If you're one of the practices that faced this puzzling dilemma, CMS is now backtracking, admitting that it misidentified "a large number" of services that it had classified as involving incarcerated beneficiaries. In some of these cases, CMS had requested a refund from you, and in others, MACs had initiated automatic recoupment for the funds. Then practices had to fight back and were asked to advise beneficiaries to contact their Social Security offices to clear up the issue.

Now that CMS admits that many of these patients were not, in fact, incarcerated at the time of service, the agency is "actively reviewing" data to correct inappropriate overpayment recoveries, and to change its process of identifying incarcerated patients. The agency notes that it "regrets any inconvenience and is working to resolve these issues as quickly as possible."