

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Medicare Overpaid Providers \$13 Million in 2007 Due to Place-of-Service Errors

Plus: Medicare Wastes Millions On Capped Rental Repairs.

Entering your place-of-service (POS) number on your claim form may seem routine, but keep in mind that it's just as important as your CPT and ICD-9 codes. That's because your claim can only be completely accurate if all of the information on it is correct -- and a recent OIG audit found that practices are not giving POS numbers the care they deserve.

Based on a review of 100 non-facility Part B claims from 2007, the OIG found that only 10 of the sampled claims had the correct POS code assigned to it, resulting in overpayments of over \$4,700. Based on the sample, the OIG estimated that Medicare nationally overpaid physicians \$13.8 million in POS coding errors, according to the report, titled "Review of Place-of-Service Coding for Physician Services Processed by Medicare Part B Carriers During Calendar Year 2007."

Physicians collect higher payments for services rendered in the physician's office, a patient's home, an ASC, a nursing facility, or another non-hospital facility versus those services performed in a facility setting (such as a hospital). However, when the OIG reviewed the 100 sample claims, it found that 90 of the services were coded as having been performed in a non-facility location, even though "60 were actually performed in hospital outpatient departments and 30 were ASC-approved procedures performed in ASCs," the report notes.

As a result of the audit findings, CMS indicated that it would institute safeguards to ensure that POS errors are better identified. Therefore, practices should remember to focus just as clearly on POS coding as they do on procedure and diagnosis coding to avoid scrutiny and accusations of miscoding. To read the complete OIG report, visit <http://oig.hhs.gov/oas/reports/region1/10900503.pdf>.