Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: OIG Reminds Practices to Watch Carefully When Selecting Place of Service Codes

Plus: ADRs don't require you to resend your initial documentation, one MAC says.

If you feel like place of service errors are insignificant, you should know that the OIG feels otherwise.

You may be aware of the fact that your physician earns higher reimbursement when he performs a service in his office versus those he performs in hospitals or other facilities, because CMS includes your office's overhead costs in that fee.

But a recent OIG review of Part B services performed in 2005 and 2006 estimated that "carriers nationwide overpaid physicians $20.2 million" for services that were assigned the wrong place of service codes.

The OIG suspected that the overpayments were due to "internal control weaknesses at the physician billing level and to insufficient postpayment reviews at the Medicare contractor level to identify potential place of service coding errors," according to the report, which the OIG released on June 17.

For a physician to collect the higher non-facility rate, he must perform the service in a physician's office, the patient's home, an ASC (for procedures not on the ASCapproved procedures list), a nursing facility, or another facility besides a hospital, SNF, community mental health center, or an ASC performing an ASC-approved procedure, according to the OIG report.

To read the full report, visit www.oig.hhs.gov/oas/reports/region1/10800528.pdf.