

Part B Insider (Multispecialty) Coding Alert

Take a Look at The Top Medicare Claims Problems

CMS continues to see big claims issues for home health and lab services.

Part B providers continue to improve on claims issues, and over the last three years saw a decrease in their overall improper payment rate percentages. But with billions in improper payments last year, there's still a long way to go.

Review: With about 90.5 percent of payments properly paid in 2017, CMS's new Comprehensive Error Rate Testing (CERT) results underline that some claims compliance progress was made last year. However the outcome held few surprises with DMEPOS sliding into first place with a 44.6 percent error rate (down from 46.3 percent in 2016) while Part A (without hospital IPPS) came in second at 11.3 percent (down from 14.0 percent last year). Part B rounded out the trio with 10.2 percent improper payment rate (a decrease from 11.7 percent the year before) and in fourth was Part A (with IPPS) at 3.9 percent. The grand total of approximately \$36.2 billion in projected improper payments across all four claims types is a decrease from FY 2016's total of \$41.1 billion.

Here's a short list of the four services with the highest improper payment rates by Medicare category, according to the latest CERT report:

- **Medicare Part A (without Hospital IPPS):** Home health topped the CERT charts with a 32.2 improper payment rate in this category and over \$6 billion in projected improper payments for 2017.
- **Medicare Part A (with Hospital IPPS):** Major joint replacements or reattachment of lower extremities led Part A (with IPPS) providers at a 4.6 percent improper payment rate with \$301 million in projected improper payments.
- **Medicare Part B:** Other lab tests (non-Medicare fee schedule) stayed in first with a 32.4 percent error rate and more than \$1.1 billion in projected improper payments.
- **DMEPOS:** Oxygen supplies and equipment were the most often improperly paid with an error rate of 52.8 percent to the tune of over \$570 million.