

Eli's Rehab Report

News Briefs: Audits: OIG Wants Your Medicaid Billing to Get More Complicated

You could have to furnish your Medicaid program with a Medicare denial notice before receiving payment, if some federal regulators get their way.

The HHS Office of Inspector General reviewed home health agency supply and therapy payments in five states for beneficiaries who were dually eligible for Medicare and Medicaid.

In four of the five states, the Medicaid program reimbursed providers \$1 million for nonroutine supplies or therapy services that Medicare had already paid for, the OIG says in its recent report, Duplicate Medicaid and Medicare Home Health Payments: Medical Supplies and Therapeutic Service (OEI-07-06-00640).

The OIG looked at Medicare and Medicaid claims in Florida, Maryland, North Carolina, Ohio and Texas to determine when home health agencies got paid twice for NRS and therapy.

What the OIG found: North Carolina and Florida each paid about \$16,000 for nonroutine supplies that were already covered under a Medicare home health episode. Texas paid a whopping \$770,000 for such claims, the OIG says.

The erroneous payments for therapy were smaller overall, with Texas paying more than \$136,000 in error, Ohio paying \$68,000 and North Carolina paying \$15,000.

The OIG wants CMS to look into program safeguards against such errors, including requiring Medicare denial notices for Medicaid billing, eliminating manual overrides of Medicaid denials, and sharing Medicare billing data with Medicaid programs.

CMS suggests that perhaps Medicare should send payment denial notices directly to the Medicaid programs. And it notes that the amount of duplication for routine supplies isn't clear, since Medicare bills in 60-day episodes while many Medicaid programs bill by the visit.

Resource: The report is at <http://www.oig.hhs.gov/oei/reports/oei-07-06-00640.pdf>.