

Eli's Rehab Report

NEWS BRIEFS :IRFs: Watch Your Interrupted Stays -- OIG Is Alert

The HHS Office of Inspector General released a report May 1 that reviewed interrupted stays at inpatient rehab facilities between 2004 and 2005.

"Our nationwide computer match showed that 448 IRFs billed incorrectly for 986 interrupted stays during that period," the OIG said in a report summary. "If a Medicare inpatient is discharged from an IRF and returns to the same IRF within three consecutive calendar days, the IRF should combine the interrupted stay into a single claim and receive a single discharge payment."

The OIG determined that the correct value of the stays was \$17.5 million, rather than the \$21.7 million that the IRFs billed. This means Medicare made net overpayments of \$4.2 million to the IRFs. The OIG concluded that the payment errors occurred because the IRFs didn't have the necessary controls to identify or correctly bill interrupted stays.

However, until April 2005, the Common Working File did not have an edit designed to identify all interrupted stays billed as two or more claims. Now that this edit is in place, it can detect incorrectly billed interrupted stays and prevented overpayments.

Regardless, the OIG recommended that CMS ask its fiscal intermediaries to recover the \$4.2 million in net overpayments.

To view the full report, see www.oig.hhs.gov/oas/reports/region1/10800502.asp.