

Eli's Hospice Insider

Appeals: Don't Let RACs Shoot Down Your Whole Claim For A Small Error

Wheelchair appeal targets unfair recoupment amount.

Some providers aren't taking what they view as unfair Recovery Audit Contractors (RAC) denials lying down. Keep an eye on their actions to learn what you may be up against when the RACs begin targeting hospice claims.

Case in point: A durable medical equipment company is appealing a RAC recoupment involving what the RAC claims to be noncompliant billing for a power wheelchair. The billing allegedly violated some bundling rules that are part of a local coverage decision, reports attorney **Amy Fehn**, whose law firm is handling the appeal for the DME provider.

"The issue involves armrests," adds Fehn, where the local coverage determination (LCD) policy "has a chart saying if you are providing this code and this code, they should be bundled with a certain other code."The guidance, however, on the bundling issue isn't very clear, she adds.

And, "even if there is an error, it may be a \$20 error whereas the RAC is trying to disapprove thousands of dollars by denying the whole claim," says Fehn, with Wachler & Associates in Royal Oak, Mich.

Another example: In Florida,"providers have had Part B rehab therapy claims denied because claims had two untimed codes appearing on the same claim," says **Nancy Beckley** with Bloomingdale Consulting Group Inc. in Brandon, Fla.

The problem: "There is no prohibition against billing two untimed codes -- the approved [RAC] issue is for two units of an untimed code," says Beckley. And, "Florida providers are appealing that issue because it represents a misinterpretation of untimed codes by the RACs. An example would be a speech swallowing evaluation and a speech swallowing service on the same claim."