

Eli's Hospice Insider

Hospice News: Turn Audit Losses Into Cap Gains

If you're a hospice provider that's been hit with an overpayment request from a Recovery Audit or other government contractor, and you've exceeded your per beneficiary cap, there may be a small silver lining.

"If a hospice is subjected to claim recoveries and has incurred a Medicare cap overpayment ... the hospice should request recalculation of cap liabilities subsequent to or simultaneously with the demand for claim recovery," urges consulting firm **The Health Group** in Morgantown, West Virginia. "Payment of claim-related demands may constitute overpaying, in some cases double paying the Medicare program because excess payments were previously determined as part of a cap analysis and repaid to the Medicare program. Denied claims, or claim-related overpayment determinations should be used to reduce payments that were previously used to determine cap liabilities."

But while "beneficiary counts may also be reduced as a result of the claim-related denials ... generally the reduction in any beneficiary count is insignificant to the reduction in Medicare payments," the firm says in its electronic newsletter.

Bottom line: "Make certain that any claim denials or claim repayments are factored into the determination of cap liabilities," The Health Group recommends.