

OIG Reveals Top Oversight Priorities for 2015

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By AHIMA's Advocacy and Policy Team

A key to understanding the federal government's top oversight priorities this year is the 2015 work plan published by the US Department of Health and Human Services' (HHS) Office of Inspector General (OIG).¹

OIG's 90-page work plan for fiscal year 2015 (FY15) offers a high-level view of the office's continued monitoring of various HHS programs and initiatives, particularly those designed to ensure the appropriateness of Medicare and Medicaid payments. The work plan also outlines many of the government's activities in FY15 designed to ensure care quality and safety in hospitals and other healthcare settings.

Hospital Policies, Procedures Under OIG's Watch

The work plan highlights several focus areas relevant to HIM professionals and other healthcare leaders in hospital settings. Here are just a few of the 22 areas under review related to hospital policies, payment, and quality of care and safety.

New inpatient admission criteria: OIG will continue to focus on identifying overpayments for inpatient stays that should have been billed as outpatient stays. OIG will scrutinize hospitals' adherence to the new "two midnight" policies, which require hospitals to treat Medicare patients as outpatients if their stay is expected to last fewer than two nights.

Inpatient claims for mechanical ventilation: The government plans to review claims for Medicare patients who required use of a ventilator or respirator for more than 96 hours. Specifically, they will review hospitals' diagnosis-related group (DRG) assignments to determine if payment was appropriate.

Selected inpatient and outpatient billing requirements: As in previous years, OIG will continue to monitor potential overpayments and review hospitals' compliance with Medicare billing guidelines.

Outpatient evaluation and management services billed at the "new patient" rate: The government will review outpatient payments for evaluation and management (E/M) services for new patients to ensure that these individuals were not treated as inpatients or outpatients within the past three years.

Nationwide review of cardiac catheterizations and endomyocardial biopsies: Through its oversight, OIG aims to ensure billing accuracy for right heart catheterizations (RHC) and endomyocardial biopsies billed at the same time.

Payments for patients diagnosed with severe protein malnutrition: Specifically, OIG will monitor for inappropriate payments to hospitals for claims that include the rare diagnosis of kwashiorkor, a severe form of malnutrition that typically affects children outside of the United States.

Bone marrow and stem cell transplants: The government will continue to check for incorrectly billed bone marrow and stem cell transplants. Medicare requires that hospitals provide diagnosis codes along with procedure codes, and only specific diagnoses are covered.

Control over networked medical devices: OIG plans to monitor the security of dialysis machines, radiology systems, and other devices linked with electronic health records (EHRs). Of particular concern is electronic protected health information (PHI), which must be secured for hospitals to participate in Medicare.

Hospitals' EHR system contingency plans: New in FY15, the government will monitor hospitals' contingency plans for compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), which requires covered entities to have explicit policies and procedures for responding to events where PHI is compromised.

Priorities Related to Skilled Nursing, Hospice, Home Health

In a 2009 review, OIG found that one-quarter of all Medicare Part A claims from skilled nursing facilities (SNFs) contained billing errors, resulting in \$1.5 billion in inappropriate payments. Furthermore, OIG has uncovered nearly \$1 billion in improper Medicare payments to home health agencies since 2010. To curb this problem, OIG will continue to focus on skilled nursing, home health, and other post-acute settings like hospice. Here is a look at some of the areas under scrutiny.

Medicare Part A billing by SNFs: OIG will monitor how SNFs bill for Medicare Part A stays, including the appropriateness of billing for therapy services for specific patients.

Questionable billing patterns for Part B services during nursing home stays: OIG is following a congressional mandate to make sure that facilities do not bill for excessive services under Part B during non-Part A stays (such as stays in which the requirement for a three-day prior inpatient stay is not met).

Hospice general inpatient care: The government plans to review the appropriateness of these claims and will check medical records for signs that providers may be misusing this level of care.

Home health prospective payment system (PPS) requirements: OIG will continue to review documentation to ensure it supports claims paid by Medicare.

New Models, Other Providers Under Scrutiny

New in FY15, OIG will lead a risk assessment of the Pioneer accountable care organization (ACO) model, which allows providers to share savings if they deliver high quality, coordinated care to Medicare beneficiaries. Specifically, OIG plans to review internal controls that guide the management of Pioneer ACOs, which were established under the Affordable Care Act (ACA). At press time, there were 19 Pioneer ACOs, down from 32 in 2011.

OIG also plans to step up its review of other providers, including those who offer chiropractic services and physical therapy. The following are two particular areas of interest:

Questionable billing of chiropractic services: OIG will continue to monitor claims for items and services that are not "reasonable and necessary," which means they should not be paid.

High use of outpatient physical therapy services: OIG is particularly interested in documentation by independent therapists to ensure that services are "reasonable and necessary."

Other Areas of Review in 2015

OIG will monitor Medicare Advantage plans' compliance with Part C requirements. Specifically, the office will look at risk adjustment data and related documentation in the medical record to ensure that it supports patient diagnoses.

In addition, OIG will take on the growing trend of predictive analytics with plans to evaluate the effectiveness of HHS's analytics tools, which are designed to reduce improper payments.

OIG Achievements in FY14

In the work plan, OIG highlighted some of its accomplishments in FY14, including:

- Expected recoveries of more than \$4.9 billion, most of which was regained through investigations
- Anticipated savings of approximately \$15.7 billion as the result of legislative, regulatory, or administrative actions
- 971 criminal actions against parties that violated HHS program rules
- 533 civil actions against those that made false claims or violated other regulations

A Nod to the Ubiquity of Health IT

Throughout the FY15 work plan, OIG recognizes the growing importance of health IT. "The American health care system is increasingly relying on health information technology (health IT) and the electronic exchange and use of health information," the work plan states. "Health IT, including electronic health records, offers opportunities for improved patient care, more efficient practice management, and improved overall public health."

OIG suggests that its future activities may involve overseeing expenditures for health IT, as well as the interoperability and sharing of healthcare data. Moreover, OIG says it may "examine practices intended to protect sensitive information and the broad use of data and technology to manage HHS programs."

In FY15 and beyond, OIG expects to maintain its "focus on emerging payment, eligibility, management, and IT systems security vulnerabilities in health care reform programs, such as the health insurance marketplaces." Specifically, OIG may use automated tools to help uncover security vulnerabilities on the exchanges that could compromise consumer information.

Beyond the marketplaces, the government plans to review other initiatives launched by the ACA, such as Medicaid expansion and tax credits for health coverage purchased through the exchanges.

In addition, OIG will likely scrutinize Medicare incentive payments to providers adopting EHRs, with the aim of identifying organizations that did not actually meet CMS' "meaningful use" EHR Incentive Program criteria. The government also will audit EHR cloud service providers and other covered entities to make sure health information in certified EHR technology is protected.

In the coming months, OIG will continue to update its online work plan, which is available on the [OIG website](#).

Note

[1] US Department of Health and Human Services Office of Inspector General. "Work Plan Fiscal Year 2015." October 31, 2014. <http://oig.hhs.gov/reports-and-publications/archives/workplan/2015/FY15-Work-Plan.pdf>.

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