

OIG Cardiac Rehabilitation Investigation Includes Wisconsin Hospital

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Practice Area: Health Law

The OIG has begun publishing the long-awaited reports in its national investigation of outpatient cardiac rehabilitation billing. There were two last week so far, and more are expected soon. The OIG will incorporate the report results into a multi-state projection of outpatient rehabilitation service claims not meeting Medicare coverage requirements. This effort by the OIG could ultimately result in a revision of guidance by CMS, or perhaps a larger recoupment effort. Hospitals with cardiac rehab programs should consider the OIG reports as well as Coverage Issues Manual guidance in evaluating their programs.

The reports review hospital cardiac rehab programs, and make recommendations regarding overpayments. So far, identified overpayments have been attributable to undocumented or noncovered diagnoses, undocumented services, incorrect procedure codes and duplicate billing, among other issues. The OIG also refers the hospitals to their local fiscal intermediaries to ensure that services meet Medicare requirements for direct physician supervision, and that services are "incident to" a physician's professional service.

Of particular interest for our Wisconsin clients, the first report reviewed a cardiac rehab program at a Milwaukee hospital. Hospitals will want to pay close attention to any new guidance from the Wisconsin fiscal intermediary, United Government Services, LLC, regarding physician supervision and the "incident-to" issue. The Coverage Issues Manual has given FIs significant discretion in this area; no clear national guidance currently exists.

Hospital clients outside of Wisconsin should consider seeking guidance from their own fiscal intermediaries on this topic as the OIG's investigation intensifies.

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