

# What Psychiatrists Need to Know About...

## FRAUD AUDITS

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There are few things as chilling to a psychiatrist as receiving an official letter from an entity that uses legal-sounding terms such as “after an investigation, we have found,” “we received a patient complaint about billing practices,” or “we require a plan of correction.” Being informed in no-uncertain-terms that your office may have done something wrong is scary, even for those who are not faint of heart!

Last issue, we outlined the Medicaid quality “Gold Star” audits being conducted by the LME/MCOs. This issue we are highlighting more information about NC Medicaid (officially the Division of Medical Assistance or DMA) “Program Integrity” or “fraud” audits. While Gold Star reviews are the responsibility of the LME/MCOs to recognize quality providers, these reviews can trigger concerns that would require the LME/MCO to call for a DMA Program Integrity review.

If a situation gets escalated to this level, the first order of business is for DMA’s Program Integrity Unit to collect information about the case or situation. If DMA has credible evidence of fraud, it will refer the situation to the Medicaid Investigation Division. It is possible, depending on certain factors, that payment for services provided to Medicaid patients could be suspended during this investigation phase. Suspension of payments does not automatically occur, but it could.

According to Patrick Piggot, DMA Chief of the Behavioral Health Review Section, 10 to 15 percent of behavioral health claims submitted to NC Medicaid are fraudulent claims. This is an alarming statistic, one that should put psychiatrists on high alert, particularly if an agency you are contracting with is performing the billing function. DMA anecdotal experience indicates that most of these fraud cases are primarily agency based, rather than in a psychiatrist’s office or by a licensed independent practitioner.

Alarms should go off in your head if the agency does not or will not provide you with the EOBs for the billing they are doing on your behalf. According to Medicaid policy, physicians are responsible for their own bills; if a fraudulent claim is caused by your billing agent, the physician is still responsible.

### Protections Against Fraud Accusations

- Ensure the service you have billed is reflected in your documentation.
- Accurately use the new Evaluation and Management (E&M) CPT codes. Get training on the appropriate use of the 99211-99215 series of codes that are designed to reflect the complexity of the patient’s visit that day. With the elimination of the 90862 “medication management code,” physicians need to be aware that every visit may be different and will require a different code. Auditors are look-

ing for practices that choose a single higher-paying code and use it as a default code for everyone in their practice.

- Don’t take others’ word for how you should conduct your business practices. Talk to your colleagues. Check out the Medicaid website for the Clinical Coverage Policy that reflects your practice (8C is for outpatient treatment, 8A enhanced outpatient services).
- Make it a practice and expectation that you review the EOBs for services being billed on your behalf. Insist on it with any agency you work with.
- Know if and who may be billing “incident to” your Medicaid number. There are special requirements for incident to billing and your supervision of the staff seeing your patients.
- If you end a contract with a provider or leave an agency, notify Medicaid (and/or the LME/MCO) of the date that you are no longer providing services for that agency.
- You can—if concerned—contact either the LME/MCO or Program Integrity at Medicaid to request a report that lists entities who are submitting bills under your Medicaid NPI number.
- If you do use an E&M code, be sure you are documenting the key components: history, examination, medical decision making.

## Reasoning for Documentation

- Communicate to other health care professionals.
- Reminder of what happened and what you did during the appointment.
- Justify care to third party payers.
- Create a basis for defense in a malpractice action.
- Remember if it isn't written, it didn't happen!

## Documentation Tips

- Always put your credentials "M.D." behind your name when you sign off on your charts.
- Always sign and date each medical record.
- Include or specify the length of the appointment.
- Use specific, factual and objective language. Describe your thinking and reasoning behind diagnosis and treatment.

- Include past and present diagnoses and a treatment plan (including progress, compliance, change in diagnosis, medications, follow-up instructions).
- Know what is being billed under your provider number.
- More is better.

## Action Steps

It is usually a good idea to call your medical malpractice carrier for advice whenever you have a question about a practice. Even if it is not a malpractice issue, your insurer should be there to help you mitigate your risk and may help advise you on things you should and should not do.

## Acting on Suspicion of Fraud

As a profession, we are committed to minimizing fraudulent and abusive behavior in psychiatric care delivery, be it providing services that are not deemed medically necessary, billing for services that were

not provided, or providing services by someone not credentialed to do so. We urge psychiatrists to provide strong medical leadership and work for the integrity of the delivery system. With the other mental health professional associations, NCPA has developed a resource for understanding fraud and abuse. It is found on the NCPA website and it details NC Medicaid's definitions of inappropriate care and how to report it in the state. Visit [www.ncpsychiatry.org/fraud-abuse](http://www.ncpsychiatry.org/fraud-abuse) for more information.

## When in Doubt

When in doubt about whether the services you or an agency you are affiliated with are being provided in the appropriate manner, ASK! Trust your instincts. If something doesn't feel quite right, it probably isn't. It is your responsibility to protect one of your most valued assets—your medical license! 🌱

### AVAILABLE RESOURCES

#### Public Mental Health Records and Documentation Manual:

<http://www.ncdhhs.gov/mhddsas/statspublications/Manuals/rmdmanual-final.pdf>

Medicaid Clinical Coverage policies outline the services, who is eligible to receive them, who is eligible to provide them and all the details related to medical necessity.

**Basic Outpatient Services 8-C:** <http://www.ncdhhs.gov/dma/mp/8C.pdf>

**Enhanced Outpatient Services policy 8-A:**

<http://www.ncdhhs.gov/dma/mp/8A.pdf>

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members in areas that are immediate and most important to them. We also have shared that as trainees their registration to the NCPA annual meeting is covered and that there are opportunities for trainees at the national level as well.

Will all of this be enough to convince them to become members?

I do not know. I suppose the best test is whether each of you, at this stage in your own careers feels that what NCPA does is of value to you. I do hope that if you are not on a committee or have never chaired one that you will make your presence known. It is important that we offer opportunities for members to be involved at the leadership

level. You need to know you are as important to NCPA at this point in your career as the residents we have visited. 🌱