



Health Care Compliance Association  
 North Central Regional Annual Conference  
 Indianapolis, IN  
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Presented by  
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 Jurisdiction 8 Contractor Medical Director

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**Agenda**

- WPS Overview
- MAC Functions
- LCD Process
- High Dollar Edit
- Comprehensive Error Rate Testing (CERT)
- Medical Review
- Contact Information

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**WPS Overview**

- A not-for-profit insurer headquartered in Madison, Wisconsin
- Our mission is to provide service and value considered by our customers to be the very best.
- Three principal lines of business
  - Medicare – holding contracts since the program's inception in 1966
  - TRICARE – a military health care benefit program where we serve the entire U.S., territories and all foreign countries; holding contracts since program's inception in 1956
  - Commercial – holding contracts since 1946; individual, Medicare PDP, and group health insurance products
- Emphasizes uncompromising business ethics and innovative solutions to today's health care environment
  - Ranked as one of World's Most Ethical companies for three consecutive years

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### WPS Medicare Fast Facts

- Is one of the largest contractors for CMS
- Serves more than 175,000 providers and 10 million Medicare beneficiaries
- Processes more than 160 million claims with benefit payments of \$50 billion annually
- Earned the CMS 2011 Provider Customer Service Program of the Year award
- Ranked first in overall provider satisfaction for MAC Part B, Legacy Part A, and Legacy Part B; and highly ranked for MAC Part A
- Holds the first contractor Authority to Operate (ATO) from CMS
- Employs more than 1,200 people, including corporate staff
- Averages more than 24 years of Medicare experience in our top management staff



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### WPS Medicare Current Contracts

- MAC J8 – Part A/B administration for Indiana and Michigan
- MAC J5 – Part A/B administration for Iowa, Kansas, Missouri, and Nebraska
- Legacy Contracts
  - Part A administration in all states except Delaware, Hawaii, and New York
  - Part B administration in Wisconsin, Illinois, and Minnesota
- Part D Coverage Gap Payments – health care reform initiative providing \$1 billion in benefits to four million beneficiaries who reached the “doughnut hole”



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### MAC Functions

- Claims Processing
- WPS Medicare Educational Opportunities
- WPS Medicare Resources
- CMS Resources
- Other Resources



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## WPS Medicare Educational Opportunities

- Seminars
- Webinars
- Partner Events
- On Demand Training
- Teleconferences
  - Specialty/Topic-specific
  - Ask-the-Contractor Teleconference



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## WPS Resources

- [www.wpsmedicare.com](http://www.wpsmedicare.com) (Choose J8 Part A or B)
  - Policies
  - Guidance
  - Education
  - Forms
  - Claims Information
- eNews
  - Education schedule
  - Current Medicare updates



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## CMS Resources

- [www.cms.gov](http://www.cms.gov)
  - Internet Only Manuals (IOM)
  - Regulation, Rules, and Official Medicare Program Information
  - CMS Educational Material
    - Medicare Learning Network
  - ICD-10 Information
  - CMS Provider Compliance Page
- eNews
  - CMS Reminders and Current Changes



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### Other Resources

- Office of Inspector (OIG) website
- www.wpsic.com
  - EDI related information
- Other contractors
  - Coordination of Benefits Contractor
  - Comprehensive Error Rate Testing (CERT) Contractors
  - Recovery Audit Contractor



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### LCD Process

1. Determine the need for an LCD based on new technology, accessibility problems, coding problems, high volume, abuse
2. Identify whether other contractors have an LCD
3. Choose lead CMD and associated policy nurse
4. Gather peer-reviewed medical literature that is indexed in the National Institute of Medicine, US National Library PubMed.
5. Identify need for appropriate CAC member involvement
6. Create draft LCD and send to WPS Policy staff and appropriate CAC members
7. Review input from WPS Policy and CAC
8. Post LCD on website and post notice of Open LCD Meeting



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### LCD Process

9. Review comments
10. Send to all the CAC representatives for next CAC meeting
11. Discuss at CAC, which also begins 45 day comment period
12. Review further comments and make changes as necessary
13. Post final LCD and comments with our response on website



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### WPS LCDs

Where should you send LCD reconsideration requests?

[policycomments@wpsic.com](mailto:policycomments@wpsic.com)



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### Part B High Dollar Edit

- Prevents improper payments
- Implementing in Indiana Part B effective for dates of service 10/1/2012 and after
  - Already in place for our other MAC and legacy contracts
- Flags claims for review with a line item that meets a reimbursement threshold of \$7,500 or greater
- Requesting additional information on flagged line items



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### Comprehensive Error Rate Testing (CERT)

- Random sample of all paid claims
- 4 Contractors involved in the CERT process
  - CERT Documentation Contractor – requests documentation
  - CERT Review Contractor – provides medical review
  - CERT Statistical Contractor – provides the statistical data for CERT and completes the random sample
  - Affiliated Contractor (WPS Medicare) – request refunds and issues additional payment
- Calculate the National Paid Claims Error Rate



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### CERT Error Rate

Part B Only  
Indiana Claims Submitted January 1 – December 31, 2011

Total Claims Reviewed	335
Total Claims with Errors	76
Claim Error Rate	23%



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### CERT Errors by Type of Error

Part B Only  
Indiana Claims Submitted January 1 – December 31, 2011

Type of Error Assessed	% of Total Dollars in Error
Insufficient Documentation	77%
Service Incorrectly Coded	13%
No Response Received after 4th Letter	4%
Service provided by someone other than the billing provider	2%
Medically Unnecessary Service or Treatment	2%
Unbundling	2%
<b>Total</b>	<b>100%</b>



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### CERT Common Reasons for Error Findings

Indiana Claims Submitted January 1 – December 31, 2011

- Missing signed physician order or progress notes to support intent for diagnostic tests and chemotherapy
- Missing or illegible physician signature and failure to submit a signature attestation statement or signature log with records
- Missing progress notes for inpatient hospital services
- Missing documentation of time for time based codes
- Evaluation and Management (E/M) services not documented to the level billed



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### WPS Medicare CERT Website

- Visit the WPS Medicare J8 MAC Part B CERT web page at the address below for more information about current CERT error trends and how to avoid these issues in your practice!
- <http://www.wpsmedicare.com/j8macpartb/departments/cert/>
- <http://www.wpsmedicare.com/j8macparta/departments/cert/>



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### Medical Review of E&M Services

- Uses the amount of work performed/documented at the E/M visit and the medical necessity to determine the appropriate E/M service level
- **Medical necessity** drives the amount of work that is needed to address the patient's presenting problem(s)
  - For example, you can have a visit where the problem addressed supports the medical necessity of the level, but if the provider has not performed the required elements to support the level of E/M (1995 &/or 1997 Documentation Guidelines for Evaluation and Management Services), then it may be down coded



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### Medical Review of E&M Services, cont'd

- The patient's acuity and problems addressed support the medical necessity of the visit.
  - The physician's plan (medical interventions and/or diagnostic tests required to address the patient's problems) and exam findings generally support the level of acuity of the patient.
- If a patient presents with a problem, but that problem is not addressed and actively managed by the physician, then credit is not given toward the level of the visit or the medical necessity.
  - For example, one has DM II, HTN, Hypercholesterolemia, and RA as presenting problems. However, the physician only address the DM II, HTN, and Hypercholesterolemia in their plan. Then credit toward the elements for the RA and medical necessity are not given toward the level of the visit.



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### Medical Review of E&M Services, cont'd

- Examples:
  - It must be clear that the physician is actively managing the presenting problem(s). Many times there are statements of "continue with RX". These types of statement are too vague in many cases to determine which problems are being addressed and actively managed by the physician
  - This is especially a concern when it is noted that for one of the presenting problems there is another physician in the claims history addressing the same issue
- Many Electronic Medical Records list the presenting problem as every condition the patient has been treated for
  - In these cases the plan is the guide to determine which of these presenting issues the physician is addressing and managing



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### Contact Information

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