

Medicare Part B

Appeal Procedures & Case Studies: Billing for Osteopathic Manipulative Treatment

Maine Medical Association
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John P. Doyle, Jr., Esq.
Katrina Clearwater, Esq.

PreTiFlaherty

Medicare Part B – Payment Disputes

INITIAL DETERMINATION

- Made by fiscal intermediary or carrier

42 C.F.R. § 405.920

Medicare Part B – Payment Disputes

REDETERMINATION – 1st Level of Appeal

- Physician has 120 days from receipt of Initial Determination to file
- Made by fiscal intermediary or carrier
- No minimum amount in controversy required
- 60 day time limit for decision

42 C.F.R. §§ 405.940 – 405.958

Medicare Part B – Payment Disputes

RECONSIDERATION – 2nd Level of Appeal

- Physician has 180 days from receipt of Redetermination to file
- Made by Qualified Independent Contractors (“QICs”)
- No minimum amount in controversy required
- 60 day time limit for decision

42 C.F.R. §§ 405.960 – 405.978

Medicare Part B – Payment Disputes

ADMINISTRATIVE LAW JUDGE

3rd Level of Appeal

- Physician has 60 days from receipt of Reconsideration to file
- Made by the ALJ
- Minimum amount in controversy >\$100
- 90 day time limit for decision

42 C.F.R. §§ 405.1000 – 405.1016

Medicare Part B – Payment Disputes

MEDICARE APPEALS COUNCIL

4th Level of Appeal

- Physician has 60 days from receipt of ALJ decision to file
- No minimum amount in controversy
- 90 day time limit for decision

42 C.F.R. §§ 405.1100 – 405.1102

Medicare Part B – Payment Disputes

FEDERAL DISTRICT COURT Final Level of Appeal

- Physician has 60 days to file
- Minimum Amount in controversy >\$1,050*

* 2005 amount in controversy.

42 U.S.C. § 405(G)

Case Summary #1 – Judy H. Shedd, D.O.

- March 26, 2002 - Notice from NHIC of OMT & E/M billing issues
- April 27, 2006 - CMS/NHIC notice to Dr. Shedd indicating review of records
- May 19, 2006 - CMS/NHIC notice of \$79,008.16 overpayment relating to Massage Procedures (97124) and Osteopathic Manipulative Treatment (98929)
- May 25, 2006 - AOA submits letter and materials in support of a Redetermination
- May 31, 2006 - Redetermination (1st level appeal) filed with NHIC
- July 13, 2006 - CMS/NHIC issued Unfavorable Decision

Case Summary #1 – Judy H. Shedd, D.O., cont'd.

- January 12, 2007 - Reconsideration Filed with “Q2 Administrators” (Medicare’s Qualified Independent Contractor – “QIC”)
- May 4, 2007 – First Coast Service Options issued partially favorable Decision
- July 6, 2007 – Appeal and Request for Administrative Law Judge Hearing received by the Office of Medicare Hearings and Appeals (OMHA)
- September 21, 2007 – Telephonic Hearing Conducted with Administrative Law Judge
- October 3, 2007 – Administrative Law Judge Holt issued favorable Decision

Case Summary #2 – Jeanne E. Heyser-Easterly, D.O.

- July 21, 2006 – Notice from Medicare carrier denying claims for E/M services provided to hospital patients on same day as OMT
- December, 2006 – Re-determination (First Level Appeal) denied by Medicare carrier
- April 24, 2007 – Medicare qualified Qualified Independent Contractor denies Second Level Appeal
- October 25, 2007 – Administrative Law Judge Joe denies Third Level Appeal

Case Summary #2 – Jeanne E. Heyser-Easterly, D.O., cont'd.

- April 17, 2008 – Medicare Appeals Council in DC issues the unanimous decision overturning prior denials, and recognizing integrity of billing for E/M service and OMT on the same day -- provided that documentation elements are sufficient and conform to Medicare guidance of 1994 Booth Memorandum
- Booth Memorandum recognizes acceptability of OMT and E/M on same day so long as significant, separately identifiable service is properly documented and is above and beyond “cursory history or palpatory examination that is inherent in OMT”.