

REPORT HIGHLIGHTS



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Dermatology Providers Generally Met Medicare Requirements for Evaluation and Management Services Performed on Same Day as Minor Surgical Procedures

Why OIG Did This Audit

- An evaluation and management (E/M) service claimed on the same day as a minor surgical procedure is generally included in the cost of the surgery. Therefore, the provider should not be paid separately for an E/M service unless a significant, separately identifiable E/M service was performed.
- In 2019 and 2020, approximately 61.5 percent of Medicare paid dermatology claims for E/M services included a minor surgical procedure on the same day performed by the same dermatologist. In these cases, Medicare may be inappropriately paying for the E/M service.

What OIG Found

- Dermatologists met Medicare requirements for 90 of the 100 sampled E/M services but did not meet them for the remaining 10.
- On the basis of our sample results, we estimated that Medicare made overpayments totaling \$62,915,655 to dermatologists for claims with E/M services that did not meet Medicare requirements.
- CMS' oversight of dermatologist claims for E/M services provided on the same day as a minor surgical procedure could be improved to reduce the risk of non-compliance with Medicare requirements.

What OIG Recommends

We made two recommendations to CMS to improve its oversight of dermatologists' compliance with Medicare requirements for E/M services provided on the same day as minor surgical procedures. CMS did not concur with our recommendations but described steps they have already taken to promote compliance with Medicare requirements.