

Report in Brief

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U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL



Why OIG Did This Audit

Medicare administrative contractors nationwide paid approximately \$885 million for selected polysomnography (a type of sleep study) services provided to Medicare beneficiaries from January 1, 2017, through December 31, 2018 (audit period). Previous OIG audits of polysomnography services found that Medicare paid for some services that did not meet Medicare requirements. These audits identified payments for services with inappropriate diagnosis codes, without the required supporting documentation, and to providers that exhibited questionable billing patterns. After analyzing Medicare claim data, we selected for audit North Mississippi Medical Center (North Mississippi), a hospital provider located in Tupelo, Mississippi.

Our objective was to determine whether Medicare claims that North Mississippi submitted for polysomnography services complied with Medicare requirements.

How OIG Did This Audit

Our audit covered \$2.1 million in Medicare payments to North Mississippi for 2,032 beneficiaries associated with 3,061 lines of polysomnography service billed using Current Procedural Terminology codes 95810 and 95811. We reviewed a stratified random sample of 100 beneficiaries who received polysomnography services (168 lines of service) with payments totaling \$113,065 during our audit period.

North Mississippi Medical Center: Audit of Medicare Payments for Polysomnography Services

What OIG Found

North Mississippi submitted Medicare claims for some polysomnography services that did not comply with Medicare billing requirements. Of the 100 randomly selected beneficiaries, North Mississippi submitted Medicare claims for polysomnography services that complied with Medicare billing requirements for 88 beneficiaries associated with 155 lines of service. However, North Mississippi submitted Medicare claims for the remaining 12 beneficiaries associated with 13 lines of service that did not comply with Medicare requirements, resulting in overpayments of \$7,624.

On the basis of our sample results, we estimated that North Mississippi received overpayments of at least \$67,038 for polysomnography services provided during the audit period.

North Mississippi stated that the errors occurred because of a misunderstanding of the Medicare policy. Although North Mississippi had some policies and procedures in place, they did not adequately explain how to process Medicare claims for polysomnography services and ensure that services billed to Medicare were coded correctly or that technicians attending a polysomnography service had the required credentials.

What OIG Recommends and North Mississippi Comments

We recommend that North Mississippi Medical Center: (1) refund to the Medicare program the estimated \$67,038 overpayment for claims that it incorrectly billed; (2) based upon the results of this audit, exercise reasonable diligence to identify, report, and return any overpayments in accordance with the 60-day rule; (3) educate its staff on properly billing for polysomnography services; and (4) revise policies and procedures to ensure that claims are coded correctly and that sleep technicians have the required credentials before billing claims for polysomnography services to ensure full compliance with Medicare requirements.

In written comments on our draft report, North Mississippi concurred with our findings and recommendations and described actions that it had taken to address them. We modified one of our recommendations to acknowledge North Mississippi's contention that it had some policies and procedures in place.