



# CMS ESRD Dialysis Compliance

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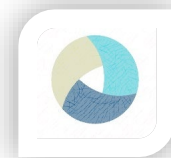
## The Importance of Periodic Audits for ESRD Dialysis Centers

Regularly scheduled audits of dialysis programs are necessary to maintain compliance with the frequent changes in the focus and scope of requirements introduced by Medicare/Medicaid. The operating plan of the Centers' management and staff should reflect goals for improvement in any criteria identified as noncompliant.

In June 2018, Medicare Part B for ESRD Dialysis Services was added to the OIG (Office of Inspector General) work plan, increasing the necessity of tracking and auditing. ESRD Dialysis Facilities are now at high risk of audit and payback similar to Inpatient Rehabilitation Facilities. IRFs were added to the OIG list last year and OIG audits have identified overpayments and millions of dollars are being taken back. The Medicare Fee-For-Service improper payment rate in 2017 was 4.8 % or a projected \$521.6 million according to the MLN Fact Sheet, "*Provider Compliance Tips for Clinic End-Stage Renal Disease Service*". The fact sheet cites documentation as 100% of the cause for the denials.

A Regulatory Compliance Audit of ESRD Dialysis Centers by certified nurse auditors at MRI measures the level of compliance to the many criteria required by CMS for ESRD Services. You will receive the percentage of compliance for each criterion, providing an improvement work plan for your management and staff. Follow-up audits will identify improvements and criteria that have not met the threshold for compliance.

The OIG reports the impetus for the ESRD Dialysis Centers Medicare Part B audits is unallowable Medicare payments due to:



- Treatments not furnished or documented
- Insufficient documentation to support medical necessity
- Services not ordered by a physician or ordered by a physician that was not treating the patient.
- Claims that did not comply with Medicare consolidated billing requirements.

The OIG stated, *“We will review claims for Medicare Part B dialysis services provided to beneficiaries with ESRD to determine whether such services complied with Medicare requirements.”* <https://oig.hhs.gov/reports-and-publications/workplan/summary/wp-summary>

The OIG also added *Review of Monthly ESRD-Related Visits Billed by Physicians or Other Qualified Healthcare Professionals* to the Work Plan. The OIG audits will be looking at documentation of visits compared to billing of E & M codes. *The Comprehensive Error Rate Testing program's special study of the HCPCS codes for ESRD-related services found that for some codes, approximately one-third of the payments for ESRD-related services were improper payments due to insufficient documentation, incorrect coding, or no documentation submitted* (CMS, Medicare Quarterly Provider Compliance Newsletter Guidance to Address Billing Errors, volume 5, issue 3, April 2015). *We (CMS) will review whether physicians or other qualified healthcare professionals billed monthly ESRD-related visits in accordance with Federal requirements (Social Security Act, §§ 1815(a) and 1833(e)).*

Our Nurse Auditors documentation reviews found evidence of noncompliance. Detailed reports to Center Managers allowed for correction of issues and quality improvement to meet CMS rules for ESRD. Overall documentation compliance was found to be at high risk for payback.

## PHYSICIAN DOCUMENTATION NOT IN COMPLIANCE

Initial evaluation of medical necessity for dialysis

History & Physical documents

Monthly physician notes timing and content

Monthly dialysis evaluation and reorder



## **CMS RULES NOT CONSISTENTLY FOLLOWED BY CENTERS**

Laboratory testing orders and frequencies  
Hepatitis B testing frequencies  
Claim form rules for Hgb, Kt/V, specified codes  
Documentation of immunizations or refusal

## **DOCUMENTATION REQUIREMENTS NOT CONSISTENT**

Physician informed patient of own condition  
Patients evaluation of the preferred modality  
ESRD patient education  
History of referrals for transplant  
Renal and comorbid conditions on problem lists  
Frequency of documentation by care team

For more information on end stage renal disease CMS compliance, or any other component of payer specific dialysis treatment compliance, please contact us at:



[info@managedresourcesinc.com](mailto:info@managedresourcesinc.com)



562.216.7028