Preferred Therapy Solutions | Preferred Therapy Outpatient & Wellness

CELEBRATING 20 YEARS

Targeted Probe & Educate (TPE) AUDITS

Where are we now?

By: Barbara Blatt, PT
Director of Compliance and Appeals Management

In 2017, CMS announced the expansion of its Targeted Probe and Educate (TPE) program to include all Medicare Administrative Contractor (MAC) jurisdictions. This expansion aimed to identify potential Medicare fraud and improper payments. The focus was on claims with the highest financial risk to the Medicare fund and on providers with the highest claim error rates and irregular billing practices when compared to their peers. The TPE claim selection process was provider-specific, using data mining from Medicare claims.

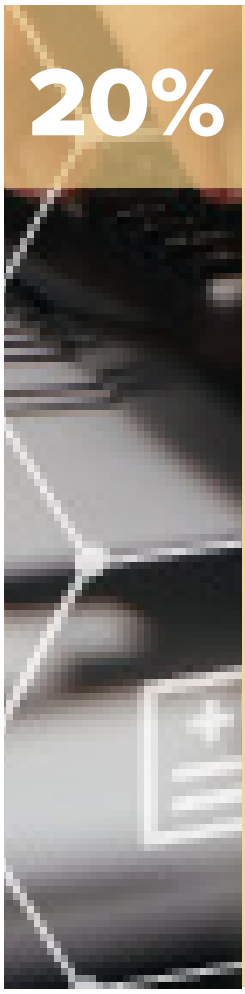
By 2022, many providers across the country participated in a post-payment TPE audit, which included 20-40 claims and 1-3 rounds. The audit focused on HIPPS codes KAGD1, KDGD1, KAGE1, KAXE1, and KDXE1. These codes represented the most common Case-Mix groups (CMGs) as well as CMGs that did not qualify for the presumption of coverage.

TPE Audit Findings indicated Skilled Nursing Facilities (SNFs) had the highest error rates among all Fee-For-Service (FFS) provider types. The Comprehensive Error Rate Testing (CERT) program projected an improper payment rate of 15.1% for SNF services in 2022, which was nearly double the error rate of 7.79% in 2021. This increase was attributed to the change in the payment model from the Resource Utilization Group (RUG IV) to the Patient-Driven Payment Model (PDPM) for dates of service after October 1, 2019. It was believed that providers

misunderstood how to appropriately bill under PDPM. According to the CERT report, the primary root cause of errors (73.2%) was insufficient documentation, with the majority of errors being due to missing Case-Mix Group (CMG) component documentation.

Following the release of the results, CMS issued transmittal 12015, instructing the MACs to conduct a 5-Claim Probe and Educate medical review for every SNF, with an effective date of June 4, 2023. The implementation of the 5-Claim TPE audit aimed to reach all SNFs effectively. CMS's objective was to reduce the improper payment rate and enhance provider comprehension of PDPM by offering tailored education on individual claim errors.

"CMS's objective was to reduce the improper payment rate and enhance provider comprehension of PDPM by offering tailored education on individual claim errors."



- The process was implemented on a rolling basis and began with the top 20% of providers that showed the highest risk, based on data analysis.
- The sample selection is to be based on a pre-payment review.
- Each SNF will undergo only one round of review.
- Claims containing the COVID-19 diagnosis would be excluded from review.
- SNFs currently undergoing TPE (20 claims) would continue in that program.
- SNFs that recently underwent and passed TPE would not receive a 5 TPE claim review for one year from the date they were released from the TPE review.
- The SNF 5 Claim TPE program would include 1:1 provider education after the claim reviews.
- Providers must receive detailed results letters, even if there are not any error findings.
- MACs must offer 1:1 education to providers with error findings > 20% in their sample.
- The education offered would be individualized, based on claim review errors identified in the probe.
- Review results must detail the denial rationales for each claim.
- After the project, MACs will prioritize TPE review for providers with 5/5 claims in error, if the SNF is included in the MAC's existing Medical Review Strategy.

Preferred Therapy Solutions | Preferred Therapy Outpatient & Wellness

CELEBRATING 20 YEARS

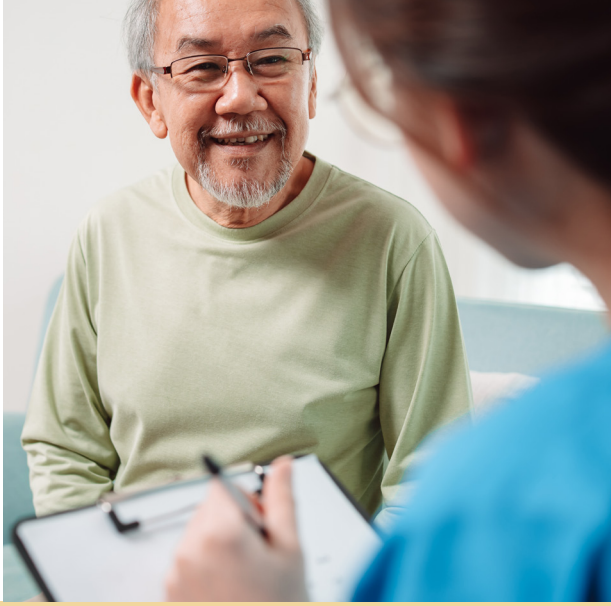
"The importance of ***Being Prepared to Avoid Denials and Claim Arbitration***... should always be the statute for documentation."

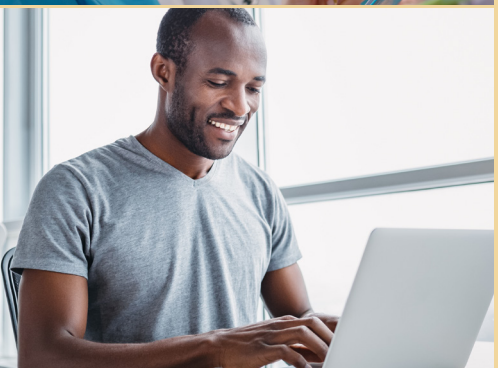
Anticipating a prepayment medical review for 5 TPE allows a provider to be proactive and perform a triple-check to ensure claim accuracy before the MAC review. Billing accuracy and adherence to Medicare claim regulations is crucial. Careful attention should be paid to ensure that the Case Mix Groups for each HIPPS code is supported in the patient record.

MOST COMMON AUDIT ISSUES *That Are Flagged:*

- *Incorrect Coding*
- *Lack of documentation to support medical diagnoses.*
- *Lack of Documentation to support Medical Necessity*
- *Lack of documentation to support daily nursing skills.*
- *The documentation submitted does not support the minimum required therapy frequency.*
- *Missing proof of physician certification and/or recertification*
- *Missing signatures of certifying physician*

“When SNFs apply practical methods in restructuring and implementing a preemptive audit program they can reduce their risk of an audit.”





- Strengthen interdisciplinary team communication.
- Provide staff education, Documentation training.
- Structure weekly meetings with goal-oriented action plans.
- Precise attention to medical coding and supportive documentation.
- Be consistent in checking data and analytics.
- Ensure that coding recorded on the MDS (especially Section GG) is supported in the medical record.
- Do not document more, Document better!
- Documentation submitted must support medical necessity and provision of daily skill.
- Documentation submitted must support the HIPPS codes billed.

In conclusion, it’s important to thoroughly examine every aspect of the documentation task at hand. Paying close attention to the details will not only lead to a positive result but also minimize the chances of rejection. Hard work and dedication are essential in building a robust and unified interdisciplinary team.

To learn more about ***Preferred Therapy Solutions*** and how our ***Appeals Management*** model can assist your facility contact Jim MacManus, Director of Business Development, at jmacmanus@preftherapy.com.

#itsallaboutthepatient

Preferred Therapy Solutions | Preferred Therapy Outpatient & Wellness

CELEBRATING 20 YEARS

ABOUT PREFERRED THERAPY SOLUTIONS

Preferred Therapy Solutions is a full-service rehabilitation management organization dedicated to providing state-of-the-art clinical, management, billing, and information technology solutions to the post-acute and long-term care industry. Preferred Therapy Solutions can assist in developing a strategic road map designed to increase SNFs market share by identifying potential referral targets and providing useful information on competitor’s performance. Preferred Therapy Solutions abilities significantly enhance the quality, productivity, scope, and efficiency of any facility’s rehabilitation department while maintaining a focus on achieving high levels of patient satisfaction and providing excellent customer service.