February 2009

Re: **2009 Work Plan of the Office of Inspector General (OIG)**

Dear Sir or Madam:

The OIG recently released its 2009 Work Plan, which details the OIG's audit, evaluative, investigative and enforcement priorities for 2009. This article focuses on Work Plan areas of interest directed at physicians. The subjects on which the OIG intends to focus in 2009 include the following:

• **Physician Reassignment of Benefits.** The OIG will continue to review the extent to which physicians reassign benefits and are aware of their reassignments, after previous investigations uncovered fraudulent reassignment schemes.

• **Place of Service Errors.** The OIG will determine whether physicians properly coded the places of service on claims for services provided in ambulatory surgical centers and hospital outpatient departments, as compared to services provided in a physician's office. Medicare pays a physician a higher amount when a service is performed in a nonfacility setting, such as a physician's office, than it does when the service is performed in a hospital outpatient department or, with certain exceptions, in an ASC.

• **Physicians' Medicare Services Performed by Non-physicians.** The OIG will review "incident to" services to determine whether the qualifications of the non-physician staff who perform "incident to" services are consistent with professionally recognized standards of care.

• **Medicare Practice Expenses Incurred by Selected Physician Specialties.** The OIG will examine the actual expenses for office visits, medical consultations and surgical procedures performed by physicians. Additionally, the OIG will review selected physician specialties to determine whether the Medicare payments to such physicians are comparable to the actual expenses of the physicians.

• **Appropriateness of Medicare Payments for Polysomnography.** The OIG will examine the appropriateness of Medicare payments for sleep studies. The OIG will also examine the factors contributing to the rise in Medicare payments for sleep studies and access provider compliance with Federal program requirements. Additionally, The OIG will review Medicare Part B payments for Continuous Positive Airway Pressure ("CPAP") devices to assess compliance with reimbursement requirements.

• **Medicare Payments for Unlisted Procedure Codes.** The OIG will review the use of unlisted procedure codes and the accuracy of Medicare payments for the services.

• **Patterns Related to High Utilization of Ultrasound Services.** The OIG will continue to examine the services and billing patterns for ultrasound services paid under the Medicare fee schedule in areas with high utilization.

• **Laboratory Test Unbundling.** The OIG will assess the extent to which clinical laboratories inappropriately unbundle laboratory profile or panel tests and review the controls Medicare carriers have to prevent improper payments.

• **Clotting Factor Furnishing Fee.** The OIG will determine whether providers performed all of the services covered by the furnishing fee that Medicare pays for blood clotting factor.

• **Medicare Payments for Chiropractic Services.** The OIG will continue to evaluate chiropractor claims with the acute treatment modifier for compliance with Medicare reimbursement requirements. In particular, the OIG will assess payments for claims identified as maintenance therapy.

• **Outpatient Physical Therapy Services Provided by Independent Therapists.** The OIG will continue to review the services of independent physical therapists with a high utilization rate to assess compliance with Medicare reimbursement requirements.

• **Medicare Payments for Colonoscopy Services.** The OIG will review Medicare payments for colonoscopy services to determine compliance with Medicare reimbursement requirements.

• **Geographic Areas with a High Density of Independent Diagnostic Testing\Facilities ("IDTFs").** The OIG will continue to examine the services and billing patterns of IDTFs in geographic areas with a high density of IDTFs. An IDTF is a facility independent of a physician's office or hospital that performs diagnostic procedures. A 2006 OIG review found numerous issues with IDTFs, including potential improper billing and non-compliance with Medicare standards.

The foregoing represents a partial list of the OIG's priority issues for 2009. A comprehensive list can be found in the 2009 Work Plan, which is available at **http://www.oig.hhs.gov/publications/docs/workplan/2009/WorkPlanFY2009.pdf**. Please note that, while the issues set forth in the 2009 Work Plan represent specific areas of interest to the OIG, the Work Plan should not be relied upon exclusively as an indication of what the OIG will investigate and/or prosecute in 2009. As always, you should strive to ensure that your practices are in full compliance with *all* applicable state and federal laws and regulations, not just those areas enumerated in the 2009 Work Plan. Please contact our office with any questions regarding the 2009 Work Plan.