

Durable Medical Equipment Suppliers Still At Risk for Postpayment Audits on Power Wheelchair Claims

To anyone familiar with the proliferation of the supply of wheelchairs to Medicare beneficiaries in recent years, it should not come as a surprise that the Office of Inspector General ("OIG") recently determined that sixty-one percent (61%) of power wheelchairs provided to Medicare beneficiaries during the first half of 2007 were either medically unnecessary or were not supported by sufficient documentation to support the claim. Specifically, 52 percent (52%) of claims lacked sufficient documentation to determine medical necessity, 7 percent (7%) of claims indicated the patient was provided with the wrong type of power wheelchair, and 2 percent (2%) of claims demonstrated the patient should have received less expensive mobility-assistance equipment.

Since 2004, the OIG has invested tremendous resources into assessing supplier compliance with coverage guidelines and determining the extent to which CMS has overpaid for power wheelchairs. The results from this latest investigation are in line with previous findings: the majority of power wheelchair claims do not meet coverage guidelines and suppliers are at risk for post-payment review.

Power wheelchairs remain a "big ticket Medicare benefit that is subject to abuse. Based on the OIG report, CMS has elected to take the following actions: (1) instruct contractors to review medical records from the prescribing physician; (2) continue to educate power wheelchair suppliers and prescribing physicians to ensure compliance with coverage requirements; and (3) refer suppliers of sampled claims that were found to be in error to recovery audit contractors.

Nelson Hardiman has provided many durable medical equipment suppliers with compliance plans for documenting the medical necessity of power wheelchairs. Years of experience in fighting overpayment appeals have taught us that the best defense to a post-payment audit is to prepare yourself by having the proper policies in place before the auditor even knocks on your door. Based on the OIG's recent findings, Nelson Hardiman makes the following recommendations:

Documenting medical necessity: Suppliers must be able to demonstrate through the chart that a power wheelchair was medically necessary and meets the patient's mobility needs. The medical record should reflect the patient's ability to participate in activities of daily living, ability to use the power wheelchair in the home, and ability to use the power wheelchair in the home safely. The medical records should also provide clinical indicators that rule out the use of less expensive mobility assistance equipment, i.e. cane, walker, and manual wheelchair.

Ensuring consistency between physician and supplier records: Suppliers and prescribing physician should collaborate in order to make sure the patient receives the appropriate power wheelchair. In this recent study, the OIG determined 78 percent (78%) of claims that were medically necessary based on the supplier records were not supported by the records of the physicians who had prescribed the power wheelchair. In light of the fact that CMS has announced that it will focus on the medical records from the prescribing physicians, suppliers must ensure that their own medical records do not conflict with the prescribing physician's records. Moreover, the prescribing physician's records should document the continued need for a power wheelchair after it is provided.

Ensuring the proper power wheelchair was provided: With hundreds of different power wheelchairs available, suppliers must ensure that they are providing beneficiaries with the appropriate power wheelchair for their medical condition. Suppliers should review coverage requirements to make sure they are able to determine the most appropriate power wheelchair for a patient. Suppliers should not upcode to a complex rehabilitative power wheelchair when a standard power wheelchair is more appropriate. Moreover, suppliers should provide the appropriate power wheelchair for a patient's weight.