

OIG ISSUES FY 2015 WORK PLAN MID-YEAR UPDATE

EXECUTIVE SUMMARY

On May 28, 2015, the Office of the Inspector General ("OIG") published a mid-year update to its Fiscal Year ("FY") 2015 Work Plan ("Updated Plan"). The Updated Plan identifies certain new projects that OIG started since, and that did not appear in, the original FY 2015 Work Plan published in October 2014. OIG has not released mid-year updates in the past and must have concluded it was important to also notify providers of these additional compliance audit priorities.

OIG's annual Work Plan is helpful in identifying provider compliance risk areas and providing focus for ongoing efforts relating to compliance program activities, audits and policy development. Compliance Officers should consider whether OIG's identification of new risk areas in the Updated Plan warrant any changes or additions to their organization's compliance program audit priorities for the upcoming year.

A complete copy of the Updated Plan is available [here](#).

UPDATED MEDICARE AUDIT ACTIVITIES

Significant new risk areas that OIG identifies in the Updated Plan include the following:

- Inpatient Rehabilitation Facility Prospective Payment System Requirements ("IRF PPS"). OIG will review compliance with various aspects of the IRF PPS, including documentation requirements in support of the claims paid by Medicare, to determine whether IRF claims were paid in accordance with federal laws and regulations. IRFs provide rehabilitation for patients recovering from illness and surgery who require an inpatient hospital-based interdisciplinary rehabilitation program, supervised by a rehabilitation physician. Effective for IRF discharges on or after January 1, 2010, IRFs must ensure that all documentation and coverage requirements set forth in 42 CFR § 412.622(a)(3), (4) and (5) are met to ensure that the IRF care is considered reasonable and necessary.
- Hospital Payments for Intensity-Modulated Radiation Therapy ("IMRT"). OIG will review Medicare outpatient payments for IMRT to determine whether the payments were made in accordance with federal rules and regulations. IMRT is an advanced mode of high-precision radiotherapy that uses computer-controlled linear accelerators to deliver precise radiation doses to a malignant tumor or specific areas within the tumor. Prior OIG reviews identified hospitals that incorrectly billed for IMRT services. OIG also noted that certain services are not to be billed when performed as part of developing an IMRT plan.
- Hospital Preparedness and Response to High-Risk Infectious Diseases. OIG will analyze hospitals' efforts to prepare for the possibility of public health emergencies resulting from infectious diseases. OIG will determine hospital use of resources available from the Department of Health and Human Services and identify lessons learned through recent experiences with pandemic or highly contagious diseases such as Ebola. Prior OIG work identified shortcomings in areas such as community preparedness for a pandemic and hospital preparedness for natural disasters.
- Annual Analysis of Medicare Clinical Laboratory Payments. OIG will analyze Medicare payments for clinical diagnostic laboratory tests, including the top 25 clinical diagnostic laboratory tests by Medicare expenditures in 2014. Previous OIG work found that Medicare pays more than other insurers for certain high volume and high expenditure laboratory tests. Under the Protecting Access to Medicare Act of 2014 (the "Act"), starting in 2017, Medicare payment rates for laboratory tests must be based on private payer rates. The Act also establishes processes for determining initial payments for new laboratory tests. Pursuant to a requirement of the Act, OIG will conduct an annual analysis and monitor Medicare expenditures and the new payment system for laboratory tests.

PRACTICAL TAKEAWAY

The OIG Work Plan is useful in giving providers a preview of many of OIG's enforcement priorities. Providers should consider the new risk areas identified in the Updated Plan when determining how to effectively focus their compliance program auditing and monitoring activities over the ensuing months.

If you would like additional information on the Updated Plan or any other compliance-related matters, please contact:

- Scott W. Taebel (414) 721-0445 or staebel@hallrender.com;
- Leia C. Olsen at (414) 721-0466 or lolsen@hallrender.com; or
- Your regular Hall Render attorney.

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