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Behalf Of NHIC, Corp. - DME MAC A Medicare

Sent: Friday, May 07, 2010 10:55 AM

Subject: DME MAC A News for May 07, 2010 - Results of Widespread Prepayment Review of Claims for HCPCS K0823, (Power Wheelchair, Group 2 Standard, Captain's Chair, Capacity Up to and Including 300 Pounds)

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For Immediate Release

May 07, 2010

Results of Widespread Prepayment Review of Claims for HCPCS K0823, (Power Wheelchair, Group 2 Standard, Captain's Chair, Capacity Up to and Including 300 Pounds)

DME MAC A Medical Review continues to review Power Wheelchairs, HCPCS K0823, based on the results of previous quarterly widespread pre-payment probe review findings. The previous quarterly findings covered the period from October 1, 2009 through December 31, 2009 and resulted in a 72.1% Charge Denial Rate (CDR).

DME MAC A recently concluded a quarterly pre-payment review. The results of the quarterly review for claims paid from January 1, 2010 through March 31, 2010, identified the following:

- This review involved prepayment complex medical review of 119 claims submitted by 81 suppliers, of which, 67 claims were allowed and 52 were denied resulting in a claim denial percentage of 43.7%. Consequently, the total denied allowance amount (dollar amount of allowable charges for services determined to be billed in error) divided by the total allowance amount of services medically reviewed resulted in an overall Charge Denial Rate of 45.7%.

Based on review of the documentation received, the following are the primary reasons for denial:

- Incomplete documentation (67.3%) (examples):
 - Incomplete 7 elements / prescription, (missing 1 or more of the 7 elements)
 - No Face to Face examination
 - No mobility evaluation
 - No home evaluation / assessment
 - PT / OT evaluation but no attestation of financial relationship
 - Detail product description signature and/or date illegible
 - No HCPCS codes and/or no allowances included on detail product description
- Determined to be medically unnecessary (30.8%) (examples):
 - Face to Face; not a physical exam; did not address mobility issue
 - Upper extremity / lower extremity issues not addressed
 - ROM and strength indicated did not justify PWD

- Face to Face did not support medical necessity
- Insufficient physical examination, utilized checklist format

To justify the discontinuation of a pre-payment audit, the charge denial rate must reflect a reduction of 70% or more from the previous quarterly findings. Based on the above quarterly CDR, DME MAC A will continue to review claims billed with HCPCS K0823.

Suppliers are reminded to reference the following publications for documentation requirements. The January 11, 2008 educational article [Power Mobility Devices Billing Reminder](#), November 05, 2009 educational article [Power Mobility Devices - 7-Element Order](#), and the [Power Mobility Devices \(L21271\) LCD](#).