



OIG reports hospices inappropriately billed Medicare \$268 million for general inpatient care

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A recent investigation by the Office of Inspector General (OIG) has found that many hospices have inappropriately billed Medicare for hospice general inpatient care (GIP). According to the OIG's study, hospices billed one-third of GIP stays inappropriately, costing Medicare \$268 million in 2012.

GIP is the second most expensive level of hospice care and is intended to be short-term inpatient care for symptom management and pain control that cannot be handled in other settings. The OIG found that hospices commonly billed for GIP when the beneficiary did not have uncontrolled pain or unmanaged symptoms. For at least 20 percent of GIP stays in 2012, the beneficiary did not need GIP at all during the stay. An additional 10 percent of GIP stays involved a beneficiary who needed GIP at some point but not for the entire stay billed by the hospice.

The OIG report identified several trends in hospice misuse of GIP billing. For example, hospices were more likely to inappropriately bill for GIP provide in skilled nursing facilities than GIP provided in other settings. Additionally, for-profit hospices were more likely than other hospices to inappropriately bill for GIP.

The OIG made six recommendations to the Centers for Medicare & Medicaid Services (CMS) based on its study. These recommendations include:

- Increasing oversight of hospice GIP claims and reviewing Part D payments for drugs for hospice beneficiaries;
- Ensuring that a physician is involved in the decision to use GIP;
- Conducting prepayment reviews for lengthy GIP stays;
- Increasing surveyor efforts to ensure that hospices meet care planning requirements; and
- Following up on inappropriate GIP stays, inappropriate Part D payments and hospices that provide poor quality care.

CMS has concurred with all six recommendations and has stated that it is developing a strategy that targets improper payments.



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