

VA Recovery Audit - Contract Implementation Conference Call Summary

Date: 8/12/2002
Time: 1:00 – 2:30 PM (EST)

Attendees **Veteran Affairs**

Thomas Wayburn, COTR, VA Recovery Audit, HAC
Jenie Perry, Chief Healthcare Information Systems, AAC
Mary Johnson, VA Health Information Management

Contractor

Walt Jordan, Principal, Abacus Technology
Richard Pectol, Vice President, Abacus Technology
John Pieters, Program Manager, HealthNet
Padra Randall, DRG Quality Coordinator, HealthNet
Joy Wilkie, Director Managed Care Services, HealthNet
Kelly Foydl, Reports Analyst , HealthNet

Conference Call Summary

1. Attendee Identification: Participants identified themselves. Minutes of July 15, 2002 accepted without change.
2. Review of action items:
 - a) Item 1: No Payments Indicated for VAMC Houston
The COTR, VISN 16 Network Coordinator and AAC confirmed that the number of cases for VAMC Houston for the period of the contract was 257. VAMC Houston is preparing generic pricer printouts for each of the 257 cases. The data missing from FEE/NVH for these cases is the pricer amount and the ICD diagnostic and procedural codes. The pricer printouts will contain this information and all will be forwarded by the station to HealthNet via the COTR. An estimated date for completion was unavailable. (CLOSED)
 - b) Item 2: Re-pricing Claims from UB-92 Forms for Outpatient Reimbursement
RASC has agreed that HealthNet should recover the total amount of VA payment for an outpatient episode of care when VA paid for the care under inpatient methodology and the bill does not contain sufficient coding to permit repricing under outpatient methodology and the provider will not recode and resubmit the bill within 60 days of notification from the contractor. Specifically, RASC approved the following process:
 - a. If the billing invoice contains sufficient CPT codes, the contractor will return the invoice to the VA station for repricing under VA Fee outpatient payment methodology and guidelines. The station shall return the repriced claim to the contractor for recovery action.
 - b. If the billing invoice contains insufficient CPT codes to permit repricing by the VA station, the contractor will notify the provider in writing explaining the payment error made by VA and request that the provider

recode the bill and return it to the contractor within 60 days of the date of the notification letter. Contractor shall date the letters on the day of creation and mail said letters to the provider addressee within one business day of creation.

1. Upon receipt of the corrected billing invoice the contractor will forward it to the VA station for repricing. The station will return the repriced claim to the contractor for recovery action.
2. If the provider fails to resubmit a corrected bill within 60 days of the date of the notification letter, the contractor will recover the total amount of payment made by VA. The contractor will notify the provider in writing that the total payment is being recovered and advise the provider on the process they may take to receive proper VA payment for the services rendered.
3. Contractor will be paid from the "net" savings realized following payment of the claim under the proper outpatient methodology.

It is requested that the ACO send an e-mail communication to the contractor approving this process. (CLOSED)

c) Item 3: Vendor requests for EOB/Canceled Check

Some vendors are requesting that HealthNet furnish a copy of the EOB associated with the claimed recovery action and/or the canceled check showing proof of payment for old cases (vendor has purged its records). The VA station does not receive a copy of the EOB and the EOB cannot be reproduced by the facility or AAC. The VA station can request a copy of the canceled check, however this process may take several weeks. HealthNet requested guidance on how to show proof of VA payment for the cases being questioned by the vendor. HAS advised that fee payments are often grouped to issue one payment to the vendor. Thus, a copy of the canceled check may be greater than the payment for the case in question and that without the EOB the vendor may be unable to reconcile or accept it as proof of payment. The payment history from the VA station may provide the batch number, identifying that case as included in the check issued for that batch. RASC adopts the HAS recommendation that the computerized payment history printout for the identified episode of care be furnished from the VA station to use as proof of VA payment and, only if necessary, the station be requested to conduct a check tracer to obtain a copy of the cancelled check.

It is requested that the ACO send an e-mail communication to the contractor approving this process. (CLOSED)

d) Item 4: Status of recovery action for 1998, 1999, and 2000 cases

Contractor requested a status update on the VA DRG pricer issue and an estimated date that VA will provide instruction to the contractor to enable continuation of the case reviews. On July 19, 2002 VA Office of General Counsel issued an advisory opinion numbered VAOPGCADV 10-2002 and the contractor was furnished a copy of this opinion. The opinion holds that the VA DRG pricer methodology issue is included in the scope of the recovery audit. The opinion requires that VA identify the amount of overpayment by reconstructing the VA pricer add-on amount for the years involved with the

recovery contract.. VA has contacted Centers for Medicare and Medicaid Services to obtain the necessary data. It is expected that within 15 business days VA will provide to the contractor the necessary information to determine overpayment amounts. (OPEN)

- e) Item 5: Debt establishment number
HAC and HealthNet reconciled the electronic process used to establish recovery debts. (CLOSED)
- f) Item 6: FY 2001 data
VA provided FEE and HAC caseload data for FY 2001. Contractor reported no issues with the data formats. (CLOSED)

3. New Business:

- a) Item 1: Copy Charges for Medical Records
COTR reminded contractor that the ACO had verbally indicated during the July 15, 2002 call that VA would not pay the costs incurred by the contractor in obtaining medical record documentation from Non-VA sources. However, no formal request for VA to pay these costs has been received from the contractor. In accordance with the terms of the contract a written request to the CO or ACO from the contractor is needed for VA consideration. (CLOSED)
- b) Item 2: Daily Reports
COTR requested that the contractor consider implementing weekly rather than daily reports. (OPEN)
- c) Item 3: Allocation 35 report
Contractor stated that a set amount of funds were deducted from each payment listed in the allocation 35 report. Contractor stated that the amount deducted appeared to be related to the fee assessed by TOPS for offset recovery. Contractor requested that COTR investigate and advise the reason(s) VA is charging the contractor TOPS fees, as these fees are a total VA responsibility. (OPEN)
- c) Item 4: FY2002 data
Upon receipt of the VA changes to the Fee Guidebook, the Contractor requested that FY2001 and FY2002 cases be included in the scope of the contract in lieu of VA monetary compensation for costs incurred as a result of the rework necessitated by the guidebook changes. VA included FY2001 cases but withheld FY2002 cases pending contractor determination that all of the caseload would be completed by November 2003. Contractor expressed concern that the November 2003 end-time of the contract would not allow sufficient time to review all cases. The contractor stated that they would consider the issue and the matter remains pending. Relative to the July 19, 2002 OGC advisory opinion, the inclusion of FY2002 cases in the scope of the contract would be in lieu of any VA monetary compensation for costs incurred as a result of any required rework and as previously discussed, the end-time of the contract would include completion of all cases referred by VA

by November 2003. Contractor will discuss and advise. (OPEN).

4. Next Meeting: Annual Review Conference, September 5, 2002, HNFS, Rancho Cordova, CA.

Tom Wayburn
COTR, Recorder

