



Informational Letter

Date

John Doe, Director Resource Management
ABC Hospital , Resource Management
7501 Trinity Peak Lane
Las Vegas, NV 89128

Dear Medicare Provider,

The Centers for Medicare & Medicaid Services (CMS) has retained HealthDataInsights, Inc, (HDI) to carry out the Recovery Auditor (RA) program in Region D. The RA program is mandated by Congress and has a primary goal of identifying Medicare improper payments. Improper payments include overpayments and underpayments. Improper payments may occur because of incorrect coding, lack of sufficient documentation or no documentation, use of outdated fee schedule or billing for services that do not meet Medicare's coverage and/or medical necessity criteria, etc.

This letter is to notify you that Medicare has made an improper payment to you, identified and described on the attached AUDIT DETAIL. This overpayment was identified through data analysis. Data analysis shows that the claims paid by Medicare include a potential aberrant billing pattern for

The claims on the attached Audit Detail reflect billing for .
The results of our data analysis justified reopening your claim under §1869(b) (1) (G) of the Social Security Act and 42 CFR 405.980(a) (1). These results also serve as good cause to reopen the claim, if required by 42 CFR 405.980(b) (2).

In order to correct this improper payment, your claim will be forwarded to your Claims Processing Contractor for adjustment. Once your claim has been adjusted, a demand letter will follow which identifies the improper payment amount and outlines repayment options as well as appeal rights.

- **Discussion Period:** The Discussion Period begins with the Review Results Letter for a complex medical record review or with the informational letter for an automated review. The discussion period is the opportunity to submit a statement and accompanying evidence to the RA indicating why the recoupment should not be initiated. The outcome of the discussion process could change how or if CMS will recoup. The RA will advise you of its decision in writing. However, the discussion statement is not an appeal of the overpayment determination, and it will not delay/cease recoupment activities. The Discussion Form is located at www.racinfo.com. Please fax your discussion materials to:

Fax: (702) 240-5595

Notice: "Good Cause" Language: Why HealthDataInsights, Inc. (HDI) Selected These Claims

Pursuant to applicable Medicare reopening regulations, including without limitation the Medicare Claims Processing Manual, Chapter 34, Section 10¹, the claims noted on the attached Audit Detail were selected for review for an underpayment or overpayment, as applicable, for the following reasons:

1. There is New and Material Evidence that was not available or known at the time of the determination or decision and may result in a different conclusion; and
2. The evidence that was considered in making the determination or decision clearly shows on its face that an Obvious Error was made at the time of the determination or decision.

New and Material Evidence and Obvious Error made at the time of the initial determination include:

- a. Improper or incorrect application of Medicare billing or coding requirements;
- b. The medical or other necessary records associated with the claim were not reviewed prior to the initial determination, a coverage or coding determination based upon the information on the claim and its attachments could not be made and there is a high probability that the records do not support the services paid or the service is not covered, and copies of medical records are therefore needed to provide support for the claim; and
- c. At the time of the initial determination, data analysis techniques, editing and/or review processes were not applied to the claim.

HDI has reviewed the claims noted on the attached Audit Detail. In accordance with CMS regulations, HDI's data analysis techniques coupled with periodic OIG Reports (www.oig.hhs.gov/oei/reports/oei-03-01-00430.pdf; www.oig.hhs.gov/oei/reports/oei-07-06-00340.pdf, www.oig.hhs.gov/oei/reports/), quarterly PEPPER Reports (The Program for Evaluating Payment Patterns Electronic Report, see <http://www.PEPPERResources.org/>), National and Local Coverage Determinations (NCD/LCD), Coding Clinic, CPT, CPT Assistant, DRG Expert, and National Correct Coding Initiatives Edits (NCCI) resources do not support the services paid, the services would therefore not be covered, and a billing or coding error therefore exists.

Thank you for your cooperation and prompt attention to this improper payment. If you have any questions regarding this letter or would like to discuss the improper payment identification, please direct your inquiry to Provider Services at

Sincerely,

HealthDataInsights, Inc

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