

Magellan Compliance Notebook

July, 2013

Magellan Behavioral Health of Pennsylvania, Inc. (Magellan) strives on being proactive and using education as a preventative tool to provide our members the highest quality of care through you, the provider.

The Quality Improvement and Compliance Departments at Magellan have committed to sending monthly e-mails to targeted providers on a Compliance related subject. This month, we are going to focus on **Waste & Abuse**.

Definitions and examples of Fraud, Waste & Abuse:

Fraud: An intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State law.

Examples of Fraud:

- Intentionally billing for services that were not provided
- Falsifying signatures
- Rounding up time spent with a member

Waste: Acting with gross negligence or reckless disregard for the truth in a manner that results in any unnecessary cost or any unnecessary consumption of a healthcare resource.

Examples of Waste:

- Using excessive services such as office visits
- Providing services that aren't medically necessary
- Provider ordering excessive testing

Abuse: Provider practices that are inconsistent with sound fiscal, business, or medical practices, and result in an unnecessary cost to the Medicaid program, or in reimbursement for services that fail to meet professionally recognized standards for health care. It also includes *recipient practices* that result in unnecessary costs to the Medicaid program.

Examples of Abuse:

- Services that are billed by mistake
- Misusing codes: code on claim does not comply with national or local coding guidelines; not billed as rendered
- Billing for a non-covered service

Fraud is more concrete. Below are some examples of activities which could be considered Waste & Abuse that have been billed to Magellan and observed during Audits:

- ❖ A phone consultation from the BHRS coordinator to the BSC to advise that their services are no longer required on a case
- ❖ A BSC billed 3 hours and 15 minutes while a member and their family plays 2 matches of a basketball game
- ❖ A BSC billed 3 hours to *collect* data in order to complete a treatment plan
- ❖ Over a period of 3 months, a BSC billed a total of 120 units to observe a member in the school in order to fulfill the authorization period. The BSC documented that there were no behaviors in the school for the duration of these services.
- ❖ A BSC billed for developing tentative interventions for a TSS; however TSS was not prescribed or authorized
- ❖ A Case Manager billed 1 unit (15 minutes) to confirm an appointment time
- ❖ A Case Manager consistently billed multiple units at a time to review the case with the member's Outpatient Therapist over the course of several months
- ❖ A Case Manager billed 4 units (1 hour) to assist the client with scheduling an intake with a D&A provider and to communicate this information to the Recovery Coach
- ❖ A BSC billed 2 units (30 minutes) to research Major Depressive Disorder. There was no documentation of what information was collected and how it was used to work with the family.
- ❖ A Case Manager billed 1 unit (8 minutes) to pick up a voicemail from a member and then leave a voicemail for the same member
- ❖ An assigned BSC billed for collaborating with the assigned MT on a case 2 weeks in a row for 4 units (1 hour) each episode; however there was no contact with the member in between these sessions, it was not detailed what information was discussed or how it contributed to the treatment of the member
- ❖ A BSC billed 3 units (45 minutes) to research a positive thinking story for a client but it was never mentioned in the documentation again
- ❖ A Case Manager waiting hours for a member at the Social Security Office or Physician's office

* It is imperative that agency Compliance Plans/ Programs include oversight of not just Fraud, **but Waste & Abuse**. While Fraud most commonly results in cases that can be criminally prosecuted; Waste and Abuse result in unnecessary costs to the healthcare system which can have a trickle-down effect on program budgets and taxpayer dollars. In other words, it impinges on all of us.

At Magellan, we will continue to educate our providers with updated MA Bulletins, Regulations and other pertinent information in order to ensure Compliance. Our members are our utmost priority and together, we can provide quality services through education, knowledge, and being a proactive advocate for our member population.

Thank you for your ongoing hard work and dedication to our members!