U.S. Department of Health and Human Services

Office of Inspector General

Toolkit: Analyzing Telehealth Claims to Assess Program Integrity Risks

Office of Evaluation and Inspections

New York Regional Office

The toolkit is a part of a body of work the OIG designed to answer 3 questions:

How was telehealth used?

Who used telehealth?

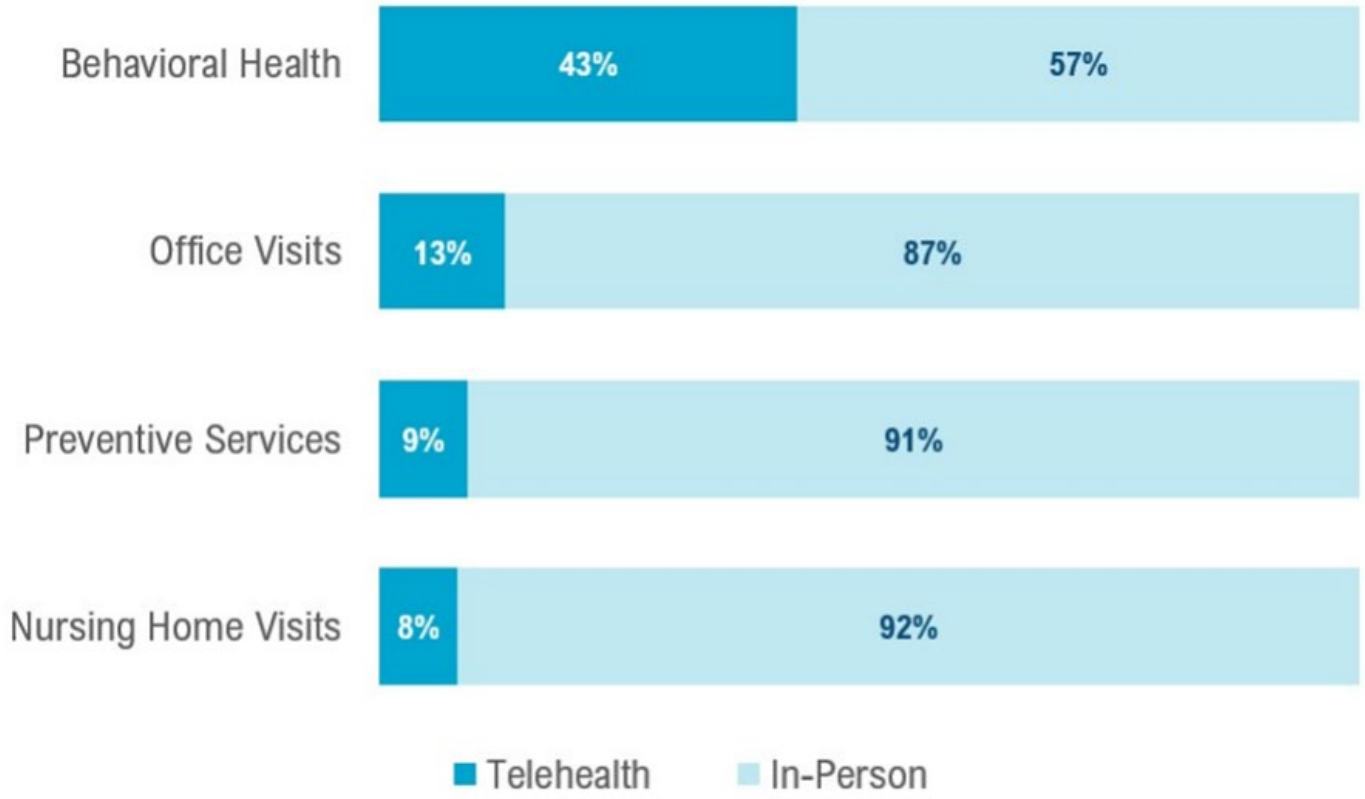
What safeguards are needed to protect Medicare and its beneficiaries from fraud, waste, and abuse related to telehealth?

How was telehealth being used?

More than **2 in 5 Medicare beneficiaries used telehealth** during the first year of the pandemic

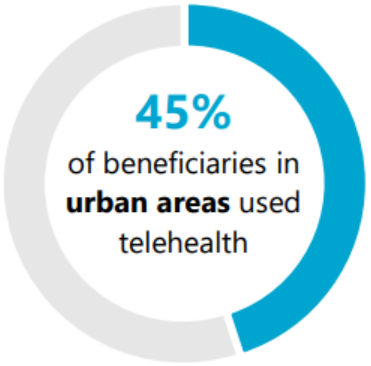
How was telehealth being used?

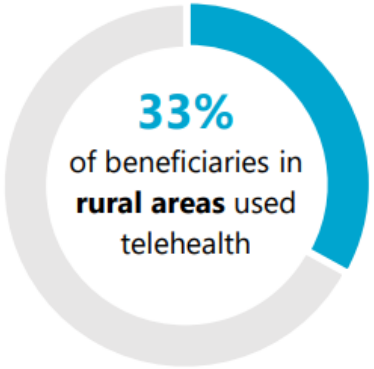
Medicare beneficiaries used telehealth for a much larger share of their behavioral health services.



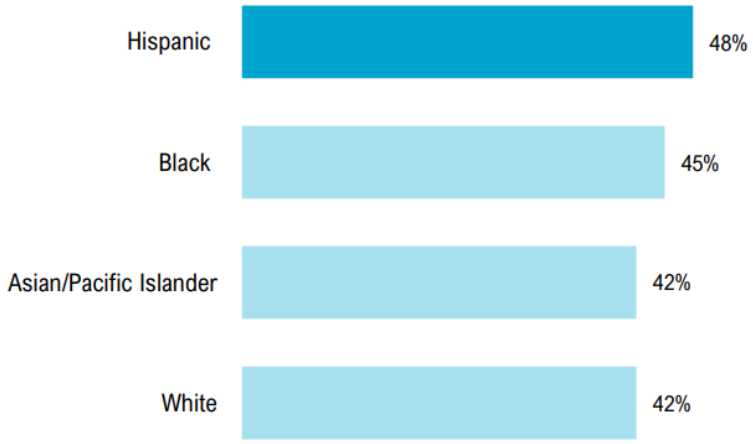
Who was using telehealth?

Medicare beneficiaries in urban areas, who largely did not have access to telehealth prior to the pandemic, were more likely to use telehealth.





Hispanic beneficiaries were more likely to use telehealth services.



What safeguards are needed?

7 measures that may indicate fraud, waste, or abuse in telehealth services:

1. Billing both a **telehealth service** and a **facility fee** for most visits
2. Billing telehealth services at the **highest, most expensive level** every time
3. Billing telehealth services for a **high number of days** in a year
4. Billing both **Medicare fee-for-service and a Medicare Advantage plan for the same service** for a high proportion of services
5. Billing a **high average number of hours** of telehealth services per visit
6. Billing telehealth services for a **high number of beneficiaries**
7. Billing for a telehealth service and **ordering medical equipment** for a high proportion of beneficiaries

What safeguards are needed?

- **1,714 providers** had concerning billing on at least 1 of 7 measures that may indicate fraud, waste, or abuse.
- These providers billed for telehealth services for about **half a million beneficiaries.**
- Recommended that CMS **strengthen monitoring and oversight of telehealth services**.

Telehealth Toolkit

Toolkit: Analyzing Telehealth Claims to Assess Program Integrity Risks

- Intended to assist public and private sector partners in analyzing their own telehealth claims data to assess program integrity risks in their programs.

- Includes steps to analyze claims data and detailed information about the seven measures OIG developed.

Steps for Analyzing Telehealth Claims

1. Review program policies
2. Collect claims data
3. Conduct quality assurance checks
4. Analyze data to identify program integrity risks
5. Interpret the results of the analysis

Program Integrity Measures

- Seven measures for users to identify potential program integrity risks in their programs.
- For each measure, we describe:
  - What the measure is and the type of program integrity risk the measure identifies;
  - How to calculate the measure; and
  - How to identify providers who pose a risk to the program.

Billing telehealth services at the highest, most expensive level for a high proportion of services

- Identifies providers who billed telehealth services at the highest, most expensive level every time.
- May indicate that a provider is billing for a higher level of service than was provided to increase their reimbursement, a practice sometimes known as “upcoding.”

Billing telehealth services at the highest, most expensive level for a high proportion of services

Measure: This measure identifies providers who billed telehealth services at the highest, most expensive level every time. Billing this way may indicate that a provider is billing for a higher level of service than was provided to increase their reimbursement, a practice sometimes known as "upcoding."[13]

Analysis: To conduct this analysis, first identify service categories that can be billed at different levels depending on the complexity of the patient's condition or the duration required to diagnose and treat a patient. In identifying service categories for analysis, it may be helpful to select categories with significant differences in reimbursement between the highest level and the lowest level. For example, under Medicare, office visits for established patients can be billed using five different procedure codes (99211, 99212, 99213, 99214, or 99215) depending on the duration of the visit. The payment rate for the highest level of service (99215) is about eight times the rate of the lowest level (99211).

Office visits for established patients can be billed at different levels based on the duration of the visit:

99211	99212	99213	99214	99215
Office visit, typically **5 minutes**	Office visit, typically **10 minutes**	Office visit, typically **15 minutes**	Office visit, typically **25 minutes**	Office visit, typically **40 minutes**

Next, for each category of service, determine the percentage of each provider's services that were billed at the highest level. When calculating the percentage of services for each provider, be sure to account for procedure codes that were billed with more than one service unit, if applicable. For example, in the Medicare data, if a procedure code was billed with two service units, we considered that to be two services.

Additionally, to ensure that the results of this analysis identify the providers with the most concerning billing, consider limiting this analysis to providers who billed for a certain number of services within a service category. In our analysis of Medicare data, we included only providers who had billed Medicare for at least 50 services in any given category.

Threshold: Under Medicare, we considered providers to be high risk on this measure if they billed 100 percent of their telehealth services at the highest level in any of the service categories selected; most providers rarely, if ever, billed at the highest level. This is a conservative threshold. Users can lower the threshold according to their needs and data. To select a different threshold, review measures of central tendency (e.g., mean and median) and the distribution, including outliers in the data. For

Additional Analysis: Identifying Providers Who Billed Beyond the Highest Levels of Service

Additional analysis can provide supplemental information about the providers who always billed for telehealth services at the highest, most expensive level. In our analysis of Medicare data, we looked at how often these providers billed for prolonged services.

Procedure codes for prolonged services allow providers to increase their reimbursement by billing for a service that lasts longer than the highest level. For example, CPT code **99354** allows providers to bill for **up to an hour** beyond the highest level. Further, CPT code **99355** allows providers to bill for an **additional 30 minutes** beyond the first hour.

Billing a high average number of hours of telehealth services per visit

- Identifies providers who billed for a high average number of hours of telehealth services per visit.
- May indicate that a provider is billing for unnecessary services or for services not rendered.

Billing telehealth services for a high number of days in a year

- Identifies providers who billed telehealth services for a high number of days.
- May indicate that the provider is billing for services that were not provided.

Billing telehealth services for a high number of patients

- Identifies providers who bill for a high number of unique patients.
- May indicate that the provider is billing for services that were not provided.
- Further analysis can identify providers who bill solely, or primarily, for patients with whom they have no established relationship.

Billing multiple plans or programs for the same telehealth services for a high proportion of services

- Identifies providers who bill multiple plans or programs for the same telehealth service for a high proportion of their services.
- May indicate that the provider is intentionally submitting duplicate claims to increase their payments.

Billing for a telehealth service and then ordering medical equipment for a high percentage of patients

- Identifies providers who bill for telehealth services and then order medical equipment and supplies for a high percentage of their patients.
- Providers may be ordering unnecessary medical equipment and supplies for patients as part of a kickback scheme with suppliers.
- Additional analysis can determine whether these providers billed primarily for audio-only telehealth services.

Billing for both a telehealth service and a facility fee for most visits

- Identifies providers who bill for both a telehealth service and a facility fee (i.e., originating site facility fee) for most visits.
- Under some plans or programs, such as Medicare, it is inappropriate for the physician or practitioner who provides the telehealth service to also bill for the facility fee.
- May indicate that the provider is intentionally billing both the telehealth service and a facility fee to increase their payments.

Understanding the Facility Fee

A patient goes to a clinic in Troy, Illinois (the originating site), to connect with a physician in Chicago to discuss their symptoms.

The physician provides the telehealth service using a computer at their office in Chicago.

The clinic in Troy bills a facility fee for hosting the patient.

The physician in Chicago bills for the telehealth service.

Additional characteristics of providers who may pose a risk to the plan or program

- Identifying **providers who are part of the same medical practice**.
- Identifying **providers who appear to be associated with telehealth companies**.

Conclusion

- Using the toolkit, you can:
  - Identify areas of particular concern in your plan or program where additional safeguards may be necessary.
  - Identify providers who pose a risk and conduct additional follow-up on these individuals.

Resources

Toolkit: Analyzing Telehealth Claims to Assess Program Integrity Risks (OEI-02-20-00723)

Telehealth Was Critical for Providing Services to Medicare Beneficiaries During the First Year of the COVID-19 Pandemic (OEI-02-20-00520)

Certain Medicare Beneficiaries, Such as Urban and Hispanic Beneficiaries, Were More Likely Than Others To Use Telehealth During the First Year of the COVID-19 Pandemic (OEI-02-20-00522)

Medicare Telehealth Services During the First Year of the Pandemic: Program Integrity Risks (OEI-02-20-00720)