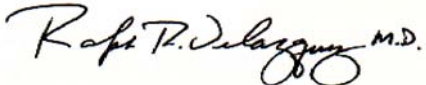




<b>Binder:</b>	<u>Provider HMO/POS/QCP Policy and Procedure Manual</u>	
<b>Policy</b>		
<b>Title:</b>	<u>Audit of Claims and Corresponding Medical Records For Correct Coding</u>	
<b>Original</b>		<b>Original</b>
<b>Author:</b>	<u>Teresa Brown</u>	<b>Date:</b> <u>August 20, 2003</u>
		<b>Policy</b>
<b>Replaces:</b>	<u>None</u>	<b>Number:</b> <u>PR917A101</u>
<b>Approval:</b>		
		
<b>Title:</b>	<u>Vice President &amp; Chief Medical Officer</u>	

## POLICY

OSF HealthPlans will conduct audits of medical records to validate that documentation within the medical records support the coding of claims that were submitted to OSF HealthPlans for payment.

## PROCEDURE

1. The audit selection process may include, but is not limited to:
  - A. Providers identified by OSF HealthPlans through selected reporting methods as being outliers in terms of utilization and/or standards of care; or
  - B. Providers identified by a plan member's grievance in which the complaint identified the provider as billing inconsistently with the care provided.
2. Providers selected for the audit will be contacted by OSF HealthPlans and asked to furnish specific medical records for review.
  - A. Providers whose codes are supported by documentation within the medical records will receive notification by OSF HealthPlans that the audit was successfully completed and that no further action will be required of the provider.
  - B. Providers whose medical records fail to support the codes submitted to OSF HealthPlans will be contacted to review the deficiencies/discrepancies identified during the audit.
    - i. The provider shall submit a corrective action plan to OSF HealthPlans within 30 days to address the deficiencies.

- ii. OSF HealthPlans will review the corrective action plan at which time the plan will be accepted or a rebuttal will be issued to the provider.
- iii. Once a corrective action plan has been agreed upon by both parties, a subsequent audit will occur in 90 days to ensure the deficiencies have been corrected.
  - 1. If no deficiencies are discovered during the second audit, the provider will be informed that the deficiency has been corrected. However, OSF HealthPlans may opt to perform a follow-up audit at a later date to ensure the deficiencies were completely resolved and have not resurfaced.
  - 2. If the same deficiency is discovered during the second audit, the provider shall submit corrected claim(s) for the errors sited. OSF HealthPlans will adjust the claim(s), and overpayments/underpayments will be handled accordingly. A third audit will be conducted in 90 days.
    - a. If the third audit reveals that the deficiencies have not been corrected, further action may include, but is not limited to:
      - i. The provider's claims will undergo a pre-payment audit to ensure coding appropriateness **before** payment is issued; or
      - ii. The provider's billing practices will be brought before the Peer Review Committee who will recommend further action to the Plan.