

## Report in Brief

Date: August 2019

Report No. A-04-16-07065

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Review

In calendar years (CYs) 2014 and 2015, Medicare allowed payments of approximately \$1.3 billion for chiropractic services provided to Medicare beneficiaries nationwide. Previous OIG reviews found that Medicare inappropriately paid for chiropractic services that were medically unnecessary, incorrectly coded, or undocumented. After analyzing Medicare claims data, we selected for review Twin Palms Chiropractic Health Center, Inc. (Twin Palms), in Venice, Florida. Our analysis indicated that Twin Palms was among the top five chiropractors in Florida based on three Current Procedural Terminology codes billed to Medicare for chiropractic services.

Our objective was to determine whether chiropractic services that Twin Palms billed were allowable in accordance with Medicare requirements.

### How OIG Did This Review

For CYs 2014 and 2015, Twin Palms received Medicare Part B payments of \$711,742 for 22,967 chiropractic services provided to Medicare beneficiaries. We excluded 619 chiropractic services as follows: services reviewed by the recovery audit contractors and other review entities (such as the Medicare Administrative contractors), services with payments less than \$20, and services identified as cancelled. From the remaining 22,348 services, totaling \$704,246 in Medicare payments, we selected 100 services using a simple random sample.

## Twin Palms Received Unallowable Medicare Payments for Chiropractic Services

### What OIG Found

Some chiropractic services that Twin Palms billed were not allowable in accordance with Medicare requirements. Of the 100 sampled chiropractic services in our sample, 46 were allowable in accordance with Medicare requirements. However, the remaining 54 services were not allowable: 42 services were medically unnecessary, 11 services were insufficiently documented, and 1 service was incorrectly coded. As a result, Twin Palms received \$1,680 in unallowable payments.

On the basis of our sample results, we estimated that Twin Palms received unallowable Medicare payments of at least \$317,038 for CYs 2014 and 2015. As of the publication of this report, this unallowable amount includes claims outside of the 4-year claims reopening period. These unallowable payments occurred because Twin Palms did not have policies and procedures to ensure that the chiropractic services billed to Medicare were medically necessary, adequately documented, and coded correctly.

### What OIG Recommends and Twin Palms Comments

Among other things, we recommend that Twin Palms: (1) refund to the Federal Government the portion of the estimated \$317,038 overpayment for claims for chiropractic services that did not comply with Medicare requirements and are within the 4-year claims reopening period and (2) establish policies and procedures to ensure that chiropractic services billed to Medicare are medically necessary, adequately documented in the medical records, and coded correctly.

In written comments on our draft report, Twin Palms partially concurred with our findings and recommendations. Through its attorney, Twin Palms agreed with our assessment of 27 of the 55 chiropractic services that we identified as not allowable in our draft report but disagreed with our findings on the remaining 28. Furthermore, Twin Palms provided additional documentation that it had not previously provided for eight claims. Based on the additional documentation, the independent medical review contractor reversed its decision on one claim and changed the determination from unallowable to allowable. With respect to the remaining claims, we maintain that our findings and recommendations are valid.