

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**NOVITAS SOLUTIONS, INC.
NEEDS ENHANCED GUIDANCE
AND PROVIDER EDUCATION
RELATED TO PHLEBOTOMY
TRAVEL ALLOWANCES**

*Inquiries about this report may be addressed to the Office of Public Affairs at
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Gloria L. Jarmon
Deputy Inspector General
for Audit Services

December 2019
A-06-17-04002

Office of Inspector General

<https://oig.hhs.gov>

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OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.

Report in Brief

Date: December 2019

Report No. A-06-17-04002

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



Why OIG Did This Audit

Medicare pays a specimen collection fee when it is medically necessary for a clinical laboratory technician to draw a specimen to perform a clinical diagnostic laboratory test. When a technician travels to a nursing facility or homebound patient and a specimen collection fee is payable, the Social Security Act provides for payment of a travel allowance. Prior work found that travel allowances were at risk of being overpaid.

For this audit, we focused on travel allowance payments for clinical diagnostic laboratory tests made by one Medicare administrative contractor (MAC), Novitas Solutions, Inc. (Novitas), from January 1, 2015, through December 31, 2016 (audit period).

The objective of our audit was to determine whether payments made by Novitas to providers for travel allowances for clinical diagnostic laboratory tests complied with Medicare requirements.

How OIG Did This Audit

Our audit covered 484,789 claim lines totaling \$9.4 million paid by Novitas for Medicare Part B travel allowances during our audit period.

Novitas Solutions, Inc. Needs Enhanced Guidance and Provider Education Related to Phlebotomy Travel Allowances

What OIG Found

Payments made by Novitas to providers for travel allowances for clinical diagnostic laboratory tests did not always comply with Medicare requirements. Specifically, 17 of the 93 claim lines in our stratified random sample complied with Medicare requirements, but 76 claim lines did not (some lines had multiple deficiencies). Novitas made payments to providers for (1) claims with incorrectly calculated prorated mileage, (2) claims using the incorrect clinical laboratory fee schedule rate, and (3) claims without sufficient documentation to support payment. Based on our sample results, we estimated that Novitas paid providers \$2.4 million in travel allowances for clinical laboratory services that were not in accordance with Medicare requirements.

What OIG Recommends and Novitas Comments

We recommend that Novitas (1) work with the Centers for Medicare & Medicaid Services to clarify guidance to providers, which could have resulted in savings totaling an estimated \$2.4 million during our audit period; (2) educate providers on how to correctly calculate the prorated mileage for phlebotomy travel allowance payments; (3) educate providers on their responsibility to bring any previously paid claims to their MAC's attention if they were paid using the incorrect payment rate; and (4) educate providers on their responsibility to maintain adequate documentation to support payment for phlebotomy travel allowance payments.

In written comments on our draft report, Novitas concurred with our recommendations and described actions it has taken to address our recommendations.

TABLE OF CONTENTS

INTRODUCTION..... 1

 Why We Did This Audit..... 1

 Objective 1

 Background 1

 Medicare Program 1

 Federal Regulations 2

 Phlebotomy Travel Allowance Calculation 3

 Novitas Solutions, Inc..... 4

 How We Conducted This Audit..... 4

FINDINGS..... 5

 Documentation Did Not Support Prorated Miles 5

 Difference Due to Change in Fee Schedule 6

 No Documentation To Support Specimen Collection..... 6

RECOMMENDATIONS 7

NOVITAS SOLUTIONS, INC. COMMENTS..... 7

APPENDICES

 A: Audit Scope and Methodology 8

 B: Statistical Sampling Methodology 10

 C: Sample Results and Estimates 12

 D: Novitas Solutions, Inc. Comments..... 13

INTRODUCTION

WHY WE DID THIS AUDIT

Medicare pays a specimen collection fee when it is medically necessary for a clinical laboratory technician to draw a specimen for a clinical diagnostic laboratory test.¹ In addition, when a technician travels to a nursing facility or homebound patient and a specimen collection fee is payable, the Act provides for payment of a travel allowance “to cover the transportation and personnel expenses for trained personnel to travel to the location of an individual to collect the sample.”² Prior Office of Inspector General (OIG) work found that travel allowances have been overpaid when clinical laboratories claimed travel mileage in excess of the actual miles traveled.³

For this audit, we focused on travel allowance payments for clinical diagnostic laboratory tests made by one Medicare administrative contractor (MAC), Novitas Solutions, Inc. (Novitas), from January 1, 2015, through December 31, 2016.⁴

OBJECTIVE

The objective of our audit was to determine whether payments made by Novitas to providers for travel allowances for clinical diagnostic laboratory tests complied with Medicare requirements.

BACKGROUND

Medicare Program

Title XVIII of the Act established the Medicare program, which provides health insurance coverage for people aged 65 and over, people with disabilities, and people with end-stage renal disease. The Centers for Medicare & Medicaid Services (CMS) administers the Medicare program. Medicare Part B provides supplementary medical insurance for medical and other health services, including laboratory services. CMS contracts with MACs to process and pay Medicare Part B claims submitted by clinical laboratories.

¹ Section 1833(h)(3)(A) of the Social Security Act (the Act), 42 U.S.C. § 1395l(h)(3)(A). See also chapter 16, section 60.1.2, of the Medicare Claims Processing Manual (the Manual), Rev. 3425, 12-18-15.

² The Act § 1833(h)(3)(B).

³ Office of Investigations settlements, and *Professional Clinical Laboratory, Inc., Generally Did Not Comply With Medicare Requirements For Billing Phlebotomy Travel Allowances* (A-06-16-02002), October 2018. Available online at <https://oig.hhs.gov/oas/reports/region6/61602002.asp>.

⁴ OIG is performing another audit of Medicare travel allowance payments for clinical diagnostic laboratory tests made by another MAC.

Federal Regulations

A travel allowance to collect a sample from a nursing facility or homebound patient may only be claimed by a clinical laboratory when a specimen collection fee is also payable.⁵ A specimen collection fee is payable for specimens extracted by a laboratory technician, such as a blood sample drawn through venipuncture or a urine sample drawn by catheterization. No fee is allowed for samples where the cost of collection is minimal, such as throat cultures, blood draws by capillary puncture, or urine collection absent catheterization.

The travel allowance is based on the actual distance traveled to each nursing facility or residence on a route until the blood, urine, and micro draws or pickups (collectively called specimens)⁶ are dropped off at a clinical laboratory, a reference laboratory,⁷ or other drop location (referred to as a trip throughout this report). According to the Manual, chapter 16, section 60.2:

- The allowance cannot be claimed if the technician does not draw the sample but merely performs a messenger service to pick up a blood or urine specimen drawn by a physician or nursing facility personnel.⁸
- At no time is the clinical laboratory allowed to bill for more miles than are reasonable or for miles not actually traveled by the laboratory technician.

⁵ The Act § 1833(h)(3).

⁶ A micro is collected and will be tested by the clinical laboratory's microbiology department, such as culture swabs, stool specimens, etc. A draw is either a blood sample taken by venipuncture or a urine sample by catheterization. A pickup is simply transporting a sample not drawn or collected by the laboratory technician. A specimen collection fee is not payable for pickup services.

⁷ A reference laboratory is defined as a clinical laboratory that receives a specimen from another clinical laboratory and performs one or more tests on such specimen.

⁸ We had several discussions with CMS during our audit, and they acknowledge that the guidance is conflicting at times. While the allowance cannot be claimed if the technician merely picks up a specimen drawn by a physician or nursing facility personnel, CMS officials clarified during our discussions with them that the patients with pickups are to be included in the prorated mileage calculation.

- Carriers⁹ must prorate travel allowance amounts claimed by providers by the number of patients (including Medicare and non-Medicare patients) from whom specimen draws or pickups were made on the same trip.¹⁰

Phlebotomy Travel Allowance Calculation

There are two Healthcare Common Procedure Coding System (HCPCS)¹¹ codes used for travel allowances: P9603 and P9604. P9603 is used when the average round trip to a patient’s home or nursing facility is longer than 20 miles, paid on a mileage per trip basis. P9604 is used when the average round trip is less than 20 miles, paid on a flat rate per trip basis. We audited only P9603 because prior OIG work found errors when calculating the prorated mileage travel allowance.

Under either code, when one trip is made for specimen draws or pickups from multiple patients (i.e., at a nursing facility), the travel payment component is prorated based on the number of patients on that trip for both Medicare and non-Medicare patients.¹² All draws and pickups are prorated on the day of the pickup, and the prorated travel allowance is billed on behalf of each Medicare patient.

The prorated mileage for P9603 is calculated as follows:

- The numerator is the sum of all miles driven by a laboratory technician to all nursing facilities or homebound patients for a single trip to collect all specimens.¹³
- The denominator is the total number of Medicare and non-Medicare patients with specimen draws and pickups on a trip.

The result is the prorated travel allowance mileage per patient. To calculate the total Medicare travel allowance, the prorated mileage is then multiplied by a per mile reimbursement rate set

⁹ Carriers predated MACs as entities that processed and paid Medicare Part B claims.

¹⁰ A CMS Recurring Update Notification states that “the travel payment component is prorated based on the number of specimens collected on the trip, for both Medicare and non-Medicare patients . . .” CMS acknowledged during our audit that the guidance is conflicting on whether to prorate based on the number of “patients” or “specimens.” CMS stated that “the policy is intended to determine Medicare’s portion of the travel allowance by dividing by the total number of patients (Medicare and non-Medicare).” CMS also stated it would work to clarify the guidance.

¹¹ HCPCS is a standardized coding system that is used primarily to identify products, supplies, and services to ensure that these claims are processed in an orderly and consistent manner.

¹² The Manual, chapter 16, § 60.2.

¹³ Per discussions with CMS, specimens include blood, urine, and micro draws or pickups.

by CMS each year. The reimbursement rates are announced through change request transmittals from CMS, which during our audit period were sometimes released after the start of a new calendar year but were retroactive to January 1.¹⁴ Providers are responsible for ensuring their claims are multiplied by the correct reimbursement rate; they should bring any previously paid claims to their contractors' attention if paid using an incorrect rate.

Novitas Solutions, Inc.

A MAC is a private health-care insurer to which CMS has awarded a geographic jurisdiction to process Medicare Part A and Part B medical claims for Medicare fee-for-service beneficiaries. Novitas is the MAC for Jurisdiction JH, which processes Parts A and B claims for Arkansas, Colorado, Louisiana, Mississippi, New Mexico, Oklahoma, and Texas.¹⁵

HOW WE CONDUCTED THIS AUDIT

Our audit covered 484,789 claim lines¹⁶ totaling \$9.4 million paid by Novitas for Medicare Part B travel allowances between January 1, 2015, and December 31, 2016. Each claim line represented a Medicare travel allowance. We selected a stratified random sample of 120 claim lines that were each part of a trip.

We obtained documentation from 18 providers with claim lines in our sample, which accounted for 93 of the 120 claim lines. The remaining 27 claim lines came from 5 providers that could not be contacted, so we were unable to review these claim lines.¹⁷

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A contains the details of our audit scope and methodology, Appendix B contains our statistical sampling methodology, and Appendix C contains our sample results and estimated overpayments.

¹⁴ Calendar year 2014 rates were released on March 14, 2014 (Change Request 8641); calendar year 2015 rates were released on January 23, 2015 (Change Request 9066); calendar year 2016 rates were released on December 31, 2015 (Change Request 9485).

¹⁵ Novitas is also responsible for Jurisdiction JL, which includes Parts A and B for Delaware, Maryland, New Jersey, and Pennsylvania, as well as the District of Columbia. We limited our audit to Novitas Jurisdiction JH.

¹⁶ Our audit included only HCPCS code P9603.

¹⁷ We could not contact five providers that were no longer in operation. The 27 claim lines for these 5 providers were treated as non-errors.

FINDINGS

Payments made by Novitas to providers for travel allowances for clinical diagnostic laboratory tests did not always comply with Medicare requirements. Specifically, 17 of the 93 sampled claim lines we reviewed complied with Medicare requirements, but 76 claim lines did not (some lines had multiple deficiencies). We found errors related to prorated mileage, payment rates, and inadequate documentation. Based on our sample results, we estimated that Novitas paid providers \$2,372,676 in travel allowances for clinical laboratory services that were not in accordance with Medicare requirements.

DOCUMENTATION DID NOT SUPPORT PRORATED MILES

Although the Manual states that at no time will the clinical laboratory be allowed to bill for more miles than are reasonable¹⁸ or for miles not actually traveled by the laboratory technician,¹⁹ we found that Novitas paid providers for incorrectly calculated prorated mileage.

We found that payments for 58 of the 93 claim lines²⁰ we reviewed were incorrectly paid due to incorrect prorated mileage. Specifically:

- Fifty claim lines used incorrect total miles when calculating the prorated mileage. Some of the errors included mileage to locations without any specimens collected or the laboratory included personal miles.²¹ For example, one laboratory technician drove 58 extra miles to a nursing home without collecting any specimens and included these miles in the prorated mileage calculation.
- Thirty-one claim lines used the wrong number of patients when calculating the prorated mileage.

CMS's policy is intended to determine Medicare's portion of the travel allowance by dividing the total number of patients (Medicare and non-Medicare) from whom specimens were collected on a trip, but we found that several providers in our sample calculated the prorated

¹⁸ Per our discussions with Novitas and CMS, mileage to a location without any specimens collected should not be included when calculating the prorated mileage.

¹⁹ The Manual, chapter 16, § 60.2.

²⁰ Twenty-three claim lines used the wrong number of patients and incorrect total miles when calculating the prorated mileage.

²¹ One laboratory regularly included miles from the laboratory to the laboratory technician's house after the laboratory technician dropped specimens off at the laboratory the previous workday. We excluded these miles in our calculation. If a laboratory technician began the route at their house and went directly to the first specimen collection location, we included those miles, but if the laboratory technician traveled to the laboratory before collecting any specimens, we began the mileage when the laboratory technician left the laboratory.

mileage using the number of blood draws on a trip, not the number of patients with specimens collected. Although providers were calculating the prorated mileage using the wrong method (number of blood draws), this did not always result in an error since the number of blood draws was sometimes the same as the total number of patients. Additionally, some providers reported the wrong number of patients or miles when completing paperwork upon returning to the laboratory.

The incorrect total mileage errors occurred for several reasons: (1) the laboratory technician did not always confirm that there were specimens to be collected at each location prior to arrival, (2) the laboratory technician included personal miles, (3) the laboratory technician included miles after dropping the specimen off at the laboratory, or (4) a provider's billing system calculated the roundtrip mileage to a nursing home without factoring in other stops on the trip.

Many of these errors occurred because Novitas did not provide sufficient oversight or guidance to the providers on how to correctly calculate the prorated mileage.

DIFFERENCE DUE TO CHANGE IN FEE SCHEDULE

Payment for the travel allowance is made based on the clinical laboratory fee schedule. The CMS Change Requests²² revising the payment rate for travel allowances were released annually (sometimes several weeks after the start of the year), with an effective date of January 1 of each year. Claims for travel allowances paid using the incorrect payment rate were not automatically adjusted. Providers should bring any previously paid claims to their contractors' attention if they were paid using the incorrect rate.

We found that 7 of the 93 claim lines we reviewed were not multiplied by the correct payment rate. These errors occurred because providers did not resubmit claims to be retroactively adjusted after updated payment rates issued by CMS were published. Novitas did not provide sufficient guidance to providers to resubmit any claims that used the incorrect rate.

NO DOCUMENTATION TO SUPPORT SPECIMEN COLLECTION

Payments to Medicare providers should not be made unless the provider has furnished information necessary to the MAC to determine the amount owed to the provider.²³ The Manual states that the travel allowance should be prorated by dividing the mileage by the total number of patients from whom specimen draws or pickups were made in the same trip.

For 15 of the 93 claim lines we reviewed, the providers did not provide us with sufficient documentation. Without adequate documentation, we were unable to determine whether the

²² Change Requests 8641, 9066, 9485.

²³ The Act § 1833(e).

correct prorated mileage was submitted to Novitas and paid. The providers with insufficient documentation did not give a reason for not providing sufficient documentation.

Novitas did not provide sufficient oversight to ensure that providers maintained adequate documentation to support payment.

RECOMMENDATIONS

We recommend that Novitas Solutions, Inc.:

- work with CMS to clarify guidance to providers, which could have resulted in savings totaling an estimated \$2,372,676 during our audit period;
- educate providers on how to correctly calculate the prorated mileage for phlebotomy travel allowance payments;
- educate providers on their responsibility to bring any previously paid claims to their MAC's attention if they were paid using the incorrect payment rate; and
- educate providers on their responsibility to maintain adequate documentation to support payment for phlebotomy travel allowance payments.

NOVITAS SOLUTIONS, INC. COMMENTS

In written comments on our draft report, Novitas concurred with our recommendations and described actions it has taken to address our recommendations.

Novitas's comments appear in their entirety as Appendix D.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

Our audit covered 484,789 claim lines of Medicare Part B travel allowances, totaling \$9,428,365, paid by Novitas during our audit period, January 1, 2015, through December 31, 2016. We audited only P9603 because prior OIG work found errors when calculating the prorated mileage travel allowance. The claim data were obtained from the CMS National Claims History file on the OIG Data Warehouse. We selected a stratified random sample of 120 travel allowance claim lines to review.

We did not perform an overall assessment of Novitas's internal control structure. Rather, we reviewed only the internal controls that related directly to our objective. Our audit allowed us to establish reasonable assurance of the authenticity and accuracy of the data obtained from the National Claims History file, but we did not assess the completeness of the file.

We performed our audit work from August 2017 through October 2019.

METHODOLOGY

To accomplish our objective, we:

- reviewed applicable Federal laws, regulations, and guidance;
- interviewed CMS officials to gain a better understanding of Medicare requirements for travel allowances and to obtain their interpretation of the Medicare regulations related to travel allowances;
- interviewed Novitas officials to gain an understanding of their policies and procedures related to how they process and pay for travel allowances;
- obtained data from CMS's National Claims History file of Novitas's travel allowance claims (HCPCS code P9603) and extracted from CMS's National Claims History file a sampling frame of 484,789 Medicare Part B travel allowance claim lines, totaling \$9,428,365, paid by Novitas from January 1, 2015, through December 31, 2016;
- selected a statistical sample of 120 phlebotomy travel allowance claim lines for review;
- sent a letter to each provider that we could contact associated with 93 claim lines in our sample to request documentation (e.g., mileage logs, requisition orders) to support each claim line in our sample (the remaining 27 claim lines came from 5 providers that are no longer in operation and we were unable to contact, so we were unable to review these claim lines);

- evaluated the documentation obtained from providers that we could contact for each sample claim line to determine how many miles were traveled and how many patients were serviced during each trip;
- calculated what the travel allowance should have been for 93 sample claim lines according to Medicare requirements and compared with the actual amount paid and noted any differences;
- estimated the overpayment of all claim lines in the sample frame during the audit period for providers that were in operation during the time of our review;
- discussed the results of our audit with each provider that supplied documentation; and
- discussed the results of our audit with Novitas officials.

See Appendix B for the details of our statistical sampling methodology and Appendix C for our sample results and estimated overpayments.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

APPENDIX B: STATISTICAL SAMPLING METHODOLOGY

POPULATION AND SAMPLING FRAME

The population consisted of Medicare Part B travel allowances of \$5 or greater that were paid by Novitas for HCPCS code P9603 from January 1, 2015, through December 31, 2016. The file containing this population (i.e., the sampling frame) consisted of 484,789 Medicare Part B travel allowance claim lines, totaling \$9,428,365.43.²⁴

SAMPLE UNIT

The sample unit was a Medicare travel allowance claim line.

SAMPLE DESIGN AND SAMPLE SIZE

We used a stratified sample consisting of four strata. The strata were divided based upon the Medicare payment amount for the travel allowance claim line.

Stratum	Number of Claim Lines in Frame	Stratum Boundaries	Value of Frame
1	253,194	\$5.00 to \$14.53	\$2,231,542.77
2	134,043	\$14.55 to \$26.04	2,629,009.96
3	75,102	\$26.07 to \$53.16	2,567,400.33
4	22,450	\$53.19 to \$299.79	2,000,412.37
Total	484,789		\$9,428,365.43

We selected a sample of 120 travel allowance claim lines, 30 lines from each stratum.

SOURCE OF RANDOM NUMBERS

Random numbers were generated by the Region VI Statistical Specialist using the HHS-OIG Office of Audit Services (OAS) RAT-STATS 2010 Version 4 statistical software package.

METHOD OF SELECTING SAMPLE UNITS

We sequentially numbered the claim lines within each stratum. Stratum 1 was numbered 1 to 253,194; stratum 2 was numbered 1 to 134,043; stratum 3 was numbered 1 to 75,102; stratum 4 was numbered 1 to 22,450. After generating 30 random numbers for each stratum, we selected the corresponding claim lines in each stratum.

²⁴ The sample frame excluded claim lines from two providers that we knew were no longer in operation and two providers that were covered by existing OIG efforts.

ESTIMATION METHODOLOGY

We used the OIG/OAS statistical software to estimate the total amount of unallowable Medicare payments for travel allowances.

We could not contact five providers in our sample that were no longer in operation. The 27 claim lines for these 5 providers were treated as non-errors. The impact of this adjustment is to restrict our estimate to providers that were in operation at the time of our audit.

APPENDIX C: SAMPLE RESULTS AND ESTIMATES

Sample Details and Results

Stratum	Number of Claims Lines in Frame	Value of Frame	Sample Size	Value of Sample	Number of Unallowable Travel Allowances	Value of Unallowable Travel Allowances
1	253,194	\$2,231,542.77	30	\$248.89	22	\$64.30
2	134,043	2,629,009.96	30	518.92	21	158.13
3	75,102	2,567,400.33	30	743.08	21	299.53
4	22,450	2,000,412.37	30	1,808.55	12	499.26
Total	484,789	\$9,428,365.43	120	\$3,319.44	76	\$1,021.22

Estimated Value of Phlebotomy Travel Allowance Overpayments²⁵
(Limits Calculated for a 90-Percent Confidence Interval)

Point estimate	\$2,372,676
Lower limit	1,866,618
Upper limit	2,878,734

²⁵ Our estimate applies only to providers that were in operation at the time of our audit.

APPENDIX D: NOVITAS SOLUTIONS, INC. COMMENTS



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November 19, 2019

Ms. Patricia Wheeler
Regional Inspector General for Audit
Services
Office of Inspector General
Office of Audit Services, Region VI
1100 Commerce Street, Room 632
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Reference: A-06-17-04002

Dear Ms. Wheeler:

Novitas Solutions, Inc. (Novitas) has received the U.S. Department of Health and Human Services, Office of Inspector General (OIG) draft report entitled, *Novitas Solutions Inc. Needs Enhanced Guidance and Provider Education Related to Phlebotomy Travel Allowances* and reviewed the findings and recommendations contained herein. Novitas appreciates the opportunity to review and provide comments prior to the release of the final report.

In the draft report, the OIG outlined four recommendations that Novitas has addressed as follows:

Recommendation #1:

Work with the Centers for Medicare & Medicaid Services to clarify guidance to providers, which could have resulted in savings totaling an estimated \$2.4 million during the audit period.

Response #1:

Novitas is in concurrence. CMS issued a MLN Matters article (<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM11146.pdf>) effective January 1, 2019, that clarified the requirements for providers billing specimen collection services provided to Medicare beneficiaries.

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Ms. Patricia Wheeler
November 19, 2019
Page 2

Recommendation #2:

Educate providers on how to correctly calculate the prorated mileage for phlebotomy travel allowance payments.

Response #2:

Novitas is in concurrence. Novitas has a Lab specialty page available to providers 24/7 providing a consolidated resource center for Lab-related resources. An article entitled, Travel Allowance for Collection of Specimens, (<https://www.novitas-solutions.com/webcenter/portal/MedicareJL/pagebyid?contentId=00205902>) was added to this resource center earlier this year. This article contains the various billing and documentation scenarios contained in the audit results. The article also contains several other references for providers to use to determine how to bill these services correctly. References included in the article are as follows:

References

(2019) MLN Matters Article MM11146 Clinical Laboratory Fee Schedule – Medicare Travel Allowance Fees for Collection of Specimens
(2018) MLN Matters Article MM10448 Clinical Laboratory Fee Schedule - Medicare Travel Allowance Fees for Collection of Specimens
(2017) MLN Matters Article MM9960 Clinical Laboratory Fee Schedule - Medicare Travel Allowance Fees for Collection of Specimens
CMS Internet Only Manual (IOM) Publication 100-04, Medicare Claims Processing Manual Chapter 16 - Laboratory Services, Section 60.2 (<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c16.pdf>)
Novitas Solutions Provider Specialty: Laboratory Part B (<https://www.novitas-solutions.com/webcenter/portal/MedicareJL/pagebyid?contentId=00086529>)
Professional Clinical Laboratory, Inc., Generally Did Not Comply With Medicare Requirements for Billing Phlebotomy Travel Allowances (<https://oig.hhs.gov/oas/reports/region6/61602002.pdf>)

In addition, OIG audit results are routinely shared at Association and partnership education sessions when applicable to the attending audience. Novitas sent a Listserv on November 15, 2019, to highlight the article and the updated MLN published by CMS earlier this year.

Recommendation #3:

Educate providers on their responsibility to bring any previously paid claims to the MAC's attention if they were paid using the incorrect payment rate.

Response #3:

Novitas is in concurrence. In the "Travel Allow For Collection of Specimens" article noted above, Novitas educated providers on how to send in claim corrections if providers billed these claims in error. An excerpt from the article to address this is as follows:

*Novitas Solutions Inc.
November 2019*

Ms. Patricia Wheeler
November 19, 2019
Page 3

Claim Corrections

If you determine that incorrect information was submitted on your claim or your claim was billed in error please utilize one of the following to update your claim:

Novitasphere (JH) (JL):

- Claim Correction
- Billed in Error
- Clerical Error Reopening

Claim Corrections IVR (JH) (JL):

- Claim Correction

Clerical Error Reopening Form (https://www.novitas-solutions.com/webcenter/content/conn/UCM_Repository/uuid/dDocName:00008291):

- Claim Correction
- Billed in Error

Return of Monies Form (<https://www.novitas-solutions.com/webcenter/portal/MedicareJL/pagebyid?contentId=00163513>):

- Billed in Error

Please review our Submit Claim Corrections & Reopenings (JH) (JL) section in our Appeals Center for further direction on the best option to correct/update your claim.

Recommendation #4:

Educate providers on their responsibility to maintain adequate documentation to support payment for phlebotomy travel allowance payments.

Response #4:

Novitas is in concurrence. In the "Travel Allow For Collection of Specimens" article Novitas educated providers on what to include in their documentation. An excerpt from the article on documentation requirements is as follows:

Documentation Tips

Be sure to include:

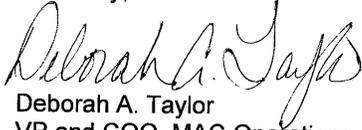
- All available documentation that supports medical necessity of services
- Travel log supporting miles billed and how many specimens were received/collected
- Verification of miles billed with online mapping programs (i.e. Google Maps, MapQuest, etc.):
 - Include the address of specimen pickup

*Novitas Solutions Inc.
November 2019*

Ms. Patricia Wheeler
November 19, 2019
Page 4

Again, Novitas appreciates the opportunity to review and provide comments prior to release of the final report. If you have any questions regarding Novitas' responses, please contact Mr. Gregory W. England at 904-791-8364.

Sincerely,



Deborah A. Taylor
VP and COO, MAC Operations
Novitas-Solutions, Inc.

cc: Gregory W. England

Novitas Solutions Inc.
November 2019