

Report in Brief

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



Why OIG Did This Review

Three-dimensional conformal radiation therapy (3D-CRT) allows doctors to sculpt radiation beams to the shape of a patient's tumor. Medicare makes a single payment to hospitals for development of a 3D-CRT treatment plan. Automated prepayment edits generally prevent additional payments for separately billed radiation planning services if they are billed on the same date of service as the 3D-CRT treatment plan. However, Medicare billing requirements do not prohibit and system edits do not prevent additional payments if the services are billed on a different date of service (e.g., 1 to 14 days before).

Our objective was to determine the potential savings to Medicare if billing requirements and system edits had been implemented to prevent additional payments for separately billed 3D-CRT planning services.

How OIG Did This Review

From calendar years (CYs) 2008 through 2017, Medicare made \$576.9 million in payments to 1,454 hospitals for development of 3D-CRT treatment plans. We matched payments for separately billed radiation planning services against these payments and identified an additional \$125.4 million in payments made to 1,379 of these hospitals. These services were billed up to 14 days before the procedure code for the 3D-CRT treatment plan was billed by the same hospital for the same beneficiary.

Medicare Could Have Saved Millions of Dollars in Payments for Separately Billed Three-Dimensional Conformal Radiation Therapy Planning Services

What OIG Found

Medicare could have saved \$125.4 million from CYs 2008 through 2017 by implementing billing requirements and system edits to prevent additional payments for separately billed 3D-CRT planning services. These services were primarily billed on a different date of service from the procedure code for development of a 3D-CRT treatment plan. As of January 9, 2019, Medicare had paid \$13.6 million for separately billed 3D-CRT planning services performed in CY 2018.

For a form of radiation therapy similar to 3D-CRT, intensity-modulated radiation therapy (IMRT), Medicare makes a bundled payment to hospitals to cover a range of radiation planning services that may be performed to develop an IMRT treatment plan. Medicare billing requirements prohibit and system edits prevent additional payments for separately billed planning services, regardless of when they are billed. The billing requirements have been in effect since January 1, 2008; the system edits have been in effect since April 1, 2018 (as the result of a prior OIG review). Our finding reflects how much Medicare could have saved if similar billing requirements and system edits had been implemented for 3D-CRT when the billing requirements for IMRT went into effect.

What OIG Recommends and CMS Comments

We recommend that the Centers for Medicare & Medicaid Services (CMS) implement billing requirements (including, for example, a bundled payment similar to that for IMRT) and system edits to prevent additional payments for 3D-CRT planning services that are billed before (e.g., up to 14 days before) the procedure code for the 3D-CRT treatment plan is billed, which could have saved Medicare as much as \$125.4 million during CYs 2008 through 2017 and as much as \$13.6 million in CY 2018.

CMS concurred with our recommendation and stated that it will consider whether implementing billing requirements in the future to prevent payments for additional planning services when reported with 3D-CRT would be appropriate.