Medicare May Have Overpaid $17.8 Million for Opioid Use Disorder Treatment Services



9/30/2023

On August, 17, 2023, the U.S. Department of Health and Human Services Office of Inspector General (OIG) found that payments made to opioid treatment programs (OTPs) for opioid use disorder (OUD) treatment services may not have complied with Medicare requirements. Specifically, Medicare made potentially improper payments totaling $17.8 million to OTPs. This consisted of the following:

- $10.4 million for claims where bundled payments were made for a weekly episode of care covered by another weekly bundle for the same care at the same OTP.
- $5.1 million for take-home supplies of medication covered by other payments or bundled payments.
- $1.3 million for OUD treatment services claimed without a proper OUD diagnosis.
- $1 million for intake activities that occurred excessively for the same patient.

These payments occurred partly because the Centers for Medicare & Medicaid Services (CMS) did not instruct Medicare Administrative Contractors (MACs) to implement system edits to prevent OTPs from being paid for OUD treatment services already covered by other Medicare payments. The OIG made the following six recommendations to address the overpayments:

- Work with MACs and other contractors to review OTP claims for compliance.
- Instruct MACs to notify providers to identify, report, and return any overpayments.
- Advise MACs to implement edits in their claims processing systems to prevent dual payments for the same services.

• Revise billing guidance to specify to not bill codes for take-home supplies and edit claims processing systems to identify improper bills.

• Develop billing requirements to include OUD diagnosis codes on claims for treatment and diagnosis.

• Collaborate with MACs to provide education on billing intake activities.

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