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New Audit of Outpatient Therapy Hits Claims Below Annual Threshold; PTA Cuts Took Effect

By Nina Youngstrom

Another audit of outpatient physical, occupational and speech therapy by the supplemental medical review contractor (SMRC) is underway, and in a twist, this time it focuses on claims below the per-beneficiary annual threshold of rehab services.^[1] CMS is required by statute to audit therapy claims above the \$3,000 per-beneficiary threshold, but now it's peeking behind the curtains of other claims as well.

That's surprising, said Nancy Beckley, president of Nancy Beckley & Associates in Milwaukee, Wisconsin. "The intention is to say, 'Let's see if they are sneaking anything by us.'" The review also is looking at virtually every outpatient therapy provider, including hospitals and skilled nursing facilities, she said. Only comprehensive outpatient rehabilitation facilities have been spared.

Outpatient therapy also is popular with Targeted Probe and Educate, which is back after a long sleep because of the COVID-19 pandemic. "I am seeing more audits than we have had in the past," said Robbie Leonard, co-founder of 8150 Advisors, who spoke at a Dec. 9 webinar sponsored by RACmonitor.com. She said there are more Targeted Probe and Educate and "random" Medicare administrative contractor (MAC) audits on specific codes, such as therapeutic exercise (CPT 97110). Rehab providers also should anticipate audits of the CQ modifier because they're probably coming next year. The CQ modifier indicates that outpatient physical therapy services were provided in whole or in part by a physical therapy assistant.

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