

## Report on Medicare Compliance Volume 29, Number 18. May 11, 2020 Expect Recoupments for Outpatient Services Provided to Inpatients

---

By Nina Youngstrom

Medicare overpaid hospitals \$11.7 million for nonphysician outpatient services in connection with inpatient admissions in 2016 and 2017—and Medicare administrative contractors (MACs) will be coming for the money, according to a new audit report<sup>[1]</sup> from the HHS Office of Inspector General (OIG). The overpayments weren't caused only by the infamous DRG window—services provided up to three days before the admission that must be bundled into the MS-DRG payment. In fact, 68% of the overpayments stemmed from hospital outpatient services performed during the inpatient stay, which shouldn't have been charged to Medicare, OIG said.

According to the report, most nonphysician outpatient services (e.g., observation services, lab tests and radiology services) provided within three days before the date of admission, on the date of admission, or during the hospital stay are included in the MS-DRG payment. That includes services performed at a facility outside the hospital. "Medicare does not pay any provider other than the inpatient hospital for services provided to the beneficiary while the beneficiary is an inpatient of the hospital," OIG explained.

This document is only available to subscribers. Please [log in](#) or [purchase access](#).

[Purchase Login](#)