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## OIG Review of Sepsis Billing May Encourage Move to Sepsis-3

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By Nina Youngstrom

Now that the HHS Office of Inspector General (OIG) has set its sights on hospital inpatient billing for sepsis, hospitals and physicians have another reason to base diagnosis decisions on the Sepsis-3 definition and leave Sepsis-2 behind, an expert says. OIG is concerned that physicians are overdiagnosing sepsis to push patients into higher-paying DRGs and is looking partly at a connection to the different definitions.

“It’s time for hospitals to transition to Sepsis-3,” which mandates the presence of organ dysfunction, said Erica Remer, M.D., president of Erica Remer, MD, in Ohio, on the Talk Ten Tuesdays podcast March 26.<sup>[1]</sup>

When she reviews clinical validation denials, “most cases I find righteously denied are billed as sepsis,” Remer said. “Sepsis without organ dysfunction is pneumonia or urinary tract infection or cellulitis. It doesn’t belong in the sepsis DRG, and I predict the OIG is going to agree with me.”

OIG said in March it added an evaluation of Medicare inpatient billing for sepsis to its Work Plan.<sup>[2]</sup> “Sepsis is the body’s extreme response to an infection. It is a life-threatening, emergency medical issue that often progresses quickly and responds best to early intervention,” OIG stated. “The definition of and guidance for sepsis have changed over the years in attempts to identify it more accurately. The definition of sepsis was updated in 2016 by an international task force to better differentiate sepsis from a general infection. This narrower definition is widely recognized by groups such as the World Health Organization. However, CMS and CDC currently recognize an older, broader definition. Sepsis is a frequently billed diagnosis in Medicare. There are concerns that hospitals may be taking advantage of this broader definition, as they have a financial incentive to do so. This study will analyze Medicare claims to assess patterns in the inpatient hospital billing of sepsis in 2023 and describe how the billing of sepsis varied among hospitals. We will also estimate the costs to Medicare associated with using the broader, rather than the narrower, definition of sepsis.”

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