



CLINICAL CLAIM REVIEW

# Provider Insight: Medical Drug Review

**When HMS has been contracted by a health plan client to conduct Medical Drug Reviews, we validate the accuracy of units billed on outpatient and professional medical drug claims in accordance with HCPCS code descriptors and verify provider compliance with policy and regulations.**

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Medical drugs and biologicals should be billed based on the dosage administered, including any appropriately discarded drug wastage and the corresponding Healthcare Common Procedures Coding System (HCPCS) descriptor.

It is important to ensure units of drugs administered to patients are accurately reported in terms of the dosage specified in the full HCPCS code descriptor. That is, units should be reported in multiples of the units included in the HCPCS descriptor.

During a Medical Drug Review, the relevant medical record review includes verification of key criteria:

- Billed units are correct based on medication administered and any applicable medication wastage
- Documentation provided supports the administration of billed units
- Units were billed correctly in accordance with policy, regulations, and guidelines regarding billing for medication wastage
- Billed units are in accordance to the HCPCS code descriptor

## What to Expect if You've Been Notified of a Medical Drug Review

Claim audits are an important tool health plans use to ensure compliance with regulations and policies. When submitted claims are selected for Medical Drug Review, you will receive a medical record request letter regarding medical records relevant to the claims in question.

### The medical record request will include:

- Additional information on the audit being performed
- List of medical record documentation needed in order to complete the audit
- A time frame explaining when the medical record must be received
- Instructions on the best way to submit medical record documentation to HMS

**It is important to report administered drugs accurately in terms of the HCPS code descriptor.**

## Provider Insight: Medical Drug Review

The medical record request letter you receive will include contact information for our Provider Relations team, who are ready to answer any questions and help with the audit process.

After the requested medical records are received, an experienced team of pharmacists and nationally certified pharmacy technicians will perform an in-depth review of the submitted documentation. The type of audit HMS conducts on any group of claims can vary and is determined by the criteria set by the health plan.

Based on our findings, a determination is made, and a notice is mailed informing you of the results. If the notice is for an overpayment, we'll provide the claim information and the rationale for the determination. It's possible you may disagree with the audit findings and rationale. Detailed instructions for appealing the determination are included.



**Contact HMS today for additional questions regarding our Clinical Claims Review process or if you have questions regarding a request for medical records you received.**

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