



## CLINICAL CLAIM REVIEW

# Provider Insight: Inpatient Psychiatric Facility Review



**When HMS has been contracted by a health plan to conduct inpatient psychiatric facility clinical claim reviews, we review certain identified claims and medical records associated with those claims to verify that billing of an inpatient psychiatric level of care is consistent with CMS policy, regulations, health plan payment policy and other industry standards.**

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**HMS can customize an inpatient psychiatric facility review to reflect a client's specific inpatient psychiatric care policies that differ from CMS.**

Because CMS sets the standard for reimbursement and coverage guidelines, most payers follow CMS criteria. In the absence of client-specific criteria, CMS guidelines are used as the standard for reimbursement and coverage guidelines. However, HMS can customize the review to reflect a client's specific inpatient psychiatric care policies that differ from CMS.

### What Qualifies as IPF Level of Care

Inpatient psychiatric facilities (IPFs) provide inpatient hospital level of care in psychiatric hospitals and distinct part units of acute care and critical access hospitals. Additionally, CMS considers IPF level of care as appropriate only for patients who require acute treatment that cannot be safely cared for in a less restrictive setting. IPF level of care differs from other acute hospitals as the care furnished in the IPF is often purely custodial, and thus not covered under CMS policy. Because of these differences, rigorous documentation requirements and criteria for IPF level of care should be met to ensure payment is made only for appropriate services.

### Approach

HMS employs innovative, machine-learning algorithms to target IPF claims with characteristics indicating potential incorrect billing. The IPF review is complementary to prior authorization or pre-certification programs that payers may have in place. HMS does not make a medical necessity determination of services provided but verifies that the place of service billed was consistent with the patient's condition and the care and services provided, as documented in the complete medical record.

IPF reviews ensure payments are consistent with the services provided. If HMS finds an inpatient stay billed in error, in most cases the provider can rebill the claim for the level of care and services associated with the appropriate setting.

Our expert team of reviewers includes nurses with behavioral health experience, certified coders, therapists and social workers, along with physician reviewers who are board certified in psychiatry. The team operates under the direction of the HMS chief medical officer and medical directors.

### **What to Expect if You've been Notified of an Inpatient Psychiatric Facility Review**

Claim audits are an important tool health plans use to control cost and ensure compliance with regulations and policies. When submitted claims are selected for inpatient psychiatric facility 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 and
- Instructions on the best way to submit medical record documentation to HMS

The medical record request letter you receive will also 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 nurses or physicians will perform an in-depth review of the submitted documentation. The type of audit HMS conducts on any group of claims can vary and will be determined by the criteria set by the health plan. A determination will be made based on our findings, and a notice will be mailed to you with 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.

**Visit [hms.com/cai](https://hms.com/cai) today for additional questions regarding our clinical claims review process or if you have questions regarding a request for medical records you have received.**

### **Moving healthcare forward.**



**HMS®** delivers healthcare technology, analytics and engagement solutions to help reduce costs, improve health outcomes and enhance consumer experience.