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AOPA In Advance SmartBrief *Breaking News* June 14, 2016

AOPA Headlines:

Renewed RAC Activity Reported

The 2016 AOPA National Assembly Preliminary Program is Now Available

Join the Coding & Billing Experts in Las Vegas!

Attend the 9th Annual Wine Tasting & Auction

<u>Jurisdiction D DME MAC Publishes Results of Pre-Payment Review of Ankle Foot Orthoses,</u> <u>Knee Orthoses, and Spinal Orthoses</u>

<u>Complete the 2016 O&P Benchmarking Survey by June 21st</u> <u>Upcoming Events</u>

Renewed RAC Activity Reported

AOPA has recently received reports of increased Recovery Audit Contractor (RAC) activity focusing on the provision of ankle foot orthoses, especially in Jurisdiction A and Jurisdiction D. While the existing RAC contractors have been authorized to begin new audits for some time now, pending the competition for and award of the single, national DMEPOS RAC contract, these reports represent the first significant RAC activity focused on O&P providers since the re-authorization took place.

It is important for AOPA members to ensure that the RAC contractors are playing by the rules, especially when it comes to the limits to the number of Additional Documentation Requests (ADRs) that can be made against a single tax identification number.

Current regulations limit the number of ADR requests for suppliers to 10% of all claims submitted for the previous calendar year, divided into eight periods, each period representing 45 days. In addition, for suppliers who bill under specialty codes identifying them as 0&P providers (51, 52, 53, 55, 56, or 57) the limit on ADR requests is capped at 10 ADR requests every 45 days, per Tax ID.

AOPA is preparing educational resources to help prepare its members for continuing challenges of RAC audits. In the meantime, if you have received ADRs related to RAC audits, it is imperative that you challenge any ADR requests that exceed the limits discussed above.

Questions regarding this issue may be directed to Joe McTernan at <u>imcternan@aopanet.org</u> or Devon Bernard at <u>dbernard@aopanet.org</u>.

The 2016 AOPA National Assembly Preliminary Program is Now Available



The 2016 AOPA National Assembly Preliminary Program is Now Available

Check out the exciting program for the country's oldest and largest meeting for the orthotic, prosthetic and pedorthic profession. Peruse the offerings from the five unique concurrent sessions for Orthotists, Prosthetists, Pedorthists, Technicians, Business Owners and Managers. We can't wait to see you in Boston.



99th AOPA National Assembly - Sept. 8-11 - Boston

The O&P community has experienced stormy seas for the past several years with legislative challenges, rising costs and reimbursement pressures. Join your peers at the 2016 Assembly and light the way toward a strong future through clinical and business education, networking and the support of an innovative supplier community.

Learn More or Register Now

Join the Coding & Billing Experts in Las Vegas!

The AOPA Coding & Billing Experts are Coming to San Antonio!

AOPA's next Coding & Billing Seminar will be in Las Vegas! Don't miss this opportunity to get the most up-to-date information to advance your O&P practitioners' and billing staff's coding knowledge.

Join your Colleagues November 14-15 in Las Vegas!

At this seminar you will:

- Receive up-to-date information on Prior Authorization and other Hot Topics
- Ensure your Proof of Delivery meets Medicare Requirements
- Learn how to assess risk areas in your practice
- Learn successful appeal strategies and hints to avoid claim denials
- Practice coding complex devices, including repairs and adjustment
- Attend break-out sessions for practitioners and office staff
- Earn 14 CEs

Where else can you get two jam-packed days of reliable, valuable O&P coding and billing information? Learn more.



Attend the 9th Annual Wine Tasting & Auction



During the 2016 National Assembly AOPA will be hosting the 9th Annual Wine Tasting & Auction, on Friday, September 9th from 6:00-8:00 PM. This exciting event provides attendees with a unique opportunity to mingle, network, learn about and taste a variety of wines, but most importantly raise awareness of and funds for AOPA's Government Relations outreach. Let's keep the tradition of success alive and make the 9th Annual Wine Tasting & Auction the best ever.



Please join the fun, the "good cause" and add to the continued success of the Wine Tasting & Auction by donating today! *Your special donations are what make this event unique.* Your donation may be one of the gems of your cellar, jewelry, artwork, wine glasses, a bottle of your favorite spirit, cigars, etc. We also have a team of personal shoppers who can locate that perfect item for you if you would prefer to make a monetary donation.

Please consider donating today! The donation form is available <u>here</u>.

Thank you in advance and we look forward to seeing at the 2016 National Assembly and the 9 Annual Wine Tasting & Auction.

Questions? Contact <u>Devon Bernard</u> via email or at (571) 431-0854.

Jurisdiction D DME MAC Publishes Results of Pre-Payment Review of Ankle Foot Orthoses, Knee Orthoses, and Spinal Orthoses

Noridian, who serves as the Jurisdiction D Durable Medical Equipment Medicare Administrative Contractor (DME MAC), has released the most recent quarterly results of its ongoing pre-payment review of claims for several codes.

For AFOs described by HCPCS codes L1960, L1970 and L4360: from December 2015 through March 2016, a total of 1008 claims were reviewed; 855 of which were denied. This error rate varied for each code. The L1960 had an error rate of 69%, the L1970 had an error rate of 70%, and the L4360 had an error rate of 99% (484 out of 488 claims were denied). Based on these results Noridian will continue its pre-payment reviews for codes L1960, L1970 and L4360.

The DME MAC noted that common denial reasons included a lack of proof of delivery documentation, failure to include documentation to show "substantial" modifications were made to the custom fitted item (L4360), documentation was not received in response to the ADR, and insufficient documentation to establish a need for a custom fabricated item (L1960 and L1970). You may view the full results of the quarterly review <u>here</u>.

Noridian, has also released the most recent results of its ongoing pre-payment review of claims for L1833 (knee orthosis, adjustable knee joints (unicentric or polycentric), positional orthosis, rigid support, prefabricated, off-the-shelf). From September 2015 through December 2015, a total of 627 claims were reviewed, 607 of which were denied for an overall claim error rate of 96%.

Noridian noted that claims were denied due to a failure to respond or a late response to additional documentation requests (which will result in an automatic denial), the submission of an invalid proof of delivery, a missing/incorrect ICD-10 code, and documentation that did indicate the patient is ambulatory (as sometimes required by policy). You may view the full results of the review <u>here</u>. Based on the results, Noridian will continue its pre-payment review for code L1833.

For spinal orthoses described by HCPCS codes L0631 and L0637, from December 2015 through March 2016, a total of 291 claims were reviewed and 492 were denied, a denial rate of 99% for L0631 and 94% for L0637.

The DME MAC provided the following five top reasons for why the claims were denied: Submitted documentation didn't identify the modifications made for the custom fitted brace; Documentation was not submitted in response to the ADR request; Missing or invalid proof of delivery;

Documentation didn't meet basic coverage criteria; Brace provided didn't have a PDAC coding verification (required by policy). Based on the results Noridian will continue its pre-payment review for codes L0631 and L0637. You may view the full results of the review <u>here.</u>

Read further about the rule and steps your business may need to take.

Complete the 2016 O&P Benchmarking Survey by June 21st

Have you ever considered using a benchmarking survey to measure your company's financial performance to strengthen your business? If so, now is the time. You won't want to miss this opportunity particularly if you have been asking yourself questions like these:

- How does our spending on materials, advertising or other expenses compare with other companies similar to ours?
- Is our gross margin better or worse than other facilities of the same size?
- Are our employees generating enough sales?

Opportunities to participate in the survey come around once a year. 2016 surveys were mailed to AOPA members May 1. **Participation for AOPA members is FREE**, and includes a complimentary final report (a \$185 value) AND a free customized company report, comparing your company results to businesses of similar size and location. Participants this year will also receive a **FREE 2016 Coding Pro**, single user edition, with Medicare fee schedules for all 50 states and other customizable fee schedules.

BEGINS: Surveys mailed May 1, 2016 and open until June 21st

YOUR INVESTMENT: 60 minutes to compile information for survey

COST: FREE published report and FREE customized company report for AOPA members **HOW:** Submit the survey online at: www.aopa-survey.com OR Complete the mailed hard copy, OR submit your financials and Industry Insights will confidentially enter the data for you. **IT's CONFIDENTIAL:** Only Industry Insights, under a strict confidentiality agreement, knows your data.

Upcoming AOPA Events	
July 13, 2016	<i>Strategies and Levels: How to Play the Appeals Game</i> AOPA Webinar <u>Learn more and register here</u>
August 10, 2016	<i>The Supplier Standards: Are You Compliant?</i> AOPA Webinar <u>Learn more or register here</u>
November 14-15, 2016	Coding & <i>Billing Seminar</i> Las Vegas, NV <u>Learn more and register here</u>

Look for your survey in the mail or click <u>here</u>. Don't let this opportunity pass you by.