

Hospital Outpatient Dental Services are Being Audited



(December 4, 2013): Generally, Medicare does not cover hospital outpatient dental services. Under the general exclusion provisions of the Social Security Act, items and services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting the teeth (e.g., preparation of the mouth for dentures or removal of diseased teeth in an infected jaw) are not covered. It is important to keep in mind that the issue of whether a specific dental service is "covered" by Medicare is not determined by the value of the needed procedure or by whether the service is medically necessary. Rather, it is determined by the type of dental service to be provided and the anatomical structure on which the procedure is performed.

I. Are any Dental Services Covered Under Medicare?

The short answer is **"Yes."** There are a handful of dental services that Medicare will cover. Examples of these limited exceptions include:

- ***Dental services that are an integral part either of a covered procedure (e.g., reconstruction of the jaw following accidental injury).***
- ***Extractions done in preparation for radiation treatment for neoplastic diseases involving the jaw.***
- ***Payments for oral examinations, but not treatments, preceding kidney transplantation or heart valve replacement (under certain circumstances). These oral examinations would be covered under Part A if they are performed by a dentist on a hospital's staff or under Part B if they are performed by a physician.***

While a small group of dental services do, in fact, qualify for coverage and payment under Medicare, it would be prudent for any health care provider billing the government for such services to carefully review the nature of each claim and ensure that the supporting documentation fully supports the claims prior to submitting them to the government for payment. Providers should

expect for these claims to be carefully scrutinized prior to being paid.

II. One Recent Audit of Hospital Outpatient Dental Services:

The Department of Health and Human Services, Office of Inspector General (OIG) recently audited a large Texas hospital with respect to Medicare reimbursement claimed by the hospital for hospital outpatient dental services. The OIG looked at a sample of one hundred claims and found that the hospital properly claimed Medicare reimbursement for only ***one (1) claim***. The remaining ninety-nine (99) claims did not meet Medicare's coverage and payment requirements.

The OIG believes that these errors occurred, at least in part, due to the fact that the hospital did not have written policies and procedures in place during the audit period related to the billing of Medicare for hospital outpatient dental services. Additionally, the hospital did not have system billing edits in place to ensure that it billed only for services that met Medicare requirements.

In this particular case, it was alleged that the hospital billed Medicare for tooth extractions that were typically performed as a result of tooth decay, which is not a covered service. In addition, the hospital billed Medicare for unallowable partial or full mouth x-rays of the teeth. In most cases, the hospital performed the x-rays during a general dental examination and evaluation, which also are excluded from Medicare coverage. These unallowable extractions and x-rays accounted for the majority of all unallowable claims. Other types of unallowable dental services varied and included, for example, the repair of a tooth socket in preparation for dentures.

III. Final Considerations:

Providers of medical (as opposed to dental) services have been under the proverbial microscope for many years. Their claims are routinely scrutinized by both governmental and private payors before payment is authorized. Dental service providers can take advantage of the many hard (and often painful) lessons already learned by their medical counterparts. Now, more than ever, it is essential that dentists, orthodontists, and other dental service providers take the time to know what is expected of them. Moreover, it is equally important that you fully and accurately document the dental examination you have conducted, any findings that you have reached and any dental services that you ultimately provided. Points to be considered include:

- ***Generally, “medical necessity” is the threshold standard used by Medicaid (and Medicare for that matter) to decide whether a specific dental service will be covered. While the specific language may vary somewhat from jurisdiction to jurisdiction, the test is typically whether a prudent dentist would provide a service or product to a patient to diagnose, prevent or treat dental pain, infection, disease, dysfunction, or disfiguration in accordance with generally accepted procedures of the professional dental community.***
- ***Have you researched the “medical necessity” standard for your state? Are***

you complying with those requirements?

- *Several years from now, would a disinterested third-party who is asked to review your patient's medical records find that medical necessity is supported solely through a read of the cold record?*
- *Are your medical records legible, properly dated and structured in an easy-to-understand fashion?*
- *Is your documentation of the examination conducted, the findings reached and the corrective actions taken complete and accurate?*

Should you not consider or fail to meet one or more of the above requirements, there is a significant likelihood that you will face significant liability, including, but not limited to an overpayment assessment, suspension, being placed on "payment hold," or referred to your law enforcement for possible investigation and prosecution. Compliance is not optional. Research each payor's requirements and do your best to meet those contractual mandates.



Robert W. Liles serves as Managing Partner at the boutique health law firm of Liles Parker. The firm has offices in Washington DC, Houston TX, McAllen TX and Baton Rouge LA. Liles Parker attorneys represent dentists and other health care providers around the country in State Dental Board proceedings, Medicaid Audits and in Private Payor Audits. Liles Parker also advises dental practices on documentation, compliance, OSHA and HIPAA issues. For a free consultation, call: **1 (800) 475-1906**.