

	<b>Reimbursement Policy Manual</b>		Policy #:	RPM039
Policy Title:	<b>Medical Records Documentation Standards</b>			
Section:	<b>Documentation</b>	Subsection:	<b>None</b>	
<p><b>Scope:</b> This policy applies to the following Medical (including Pharmacy/Vision) plans:</p> <p><b>Companies:</b> <input checked="" type="checkbox"/> All Companies: Moda Partners, Inc. and its subsidiaries &amp; affiliates  <input type="checkbox"/> Moda Health Plan <input type="checkbox"/> Moda Assurance Company <input type="checkbox"/> Summit Health Plan  <input type="checkbox"/> Eastern Oregon Coordinated Care Organization (EOCCO) <input type="checkbox"/> OHSU Health IDS</p> <p><b>Types of Business:</b> <input checked="" type="checkbox"/> All Types <input type="checkbox"/> Commercial Group <input type="checkbox"/> Commercial Individual  <input type="checkbox"/> Commercial Marketplace/Exchange <input type="checkbox"/> Commercial Self-funded  <input type="checkbox"/> Medicaid <input type="checkbox"/> Medicare Advantage <input type="checkbox"/> Short Term <input type="checkbox"/> Other: _____</p> <p><b>States:</b> <input checked="" type="checkbox"/> All States <input type="checkbox"/> Alaska <input type="checkbox"/> Idaho <input type="checkbox"/> Oregon <input type="checkbox"/> Texas <input type="checkbox"/> Washington</p> <p><b>Claim forms:</b> <input checked="" type="checkbox"/> CMS1500 <input checked="" type="checkbox"/> CMS1450/UB (or the electronic equivalent or successor forms)</p> <p><b>Date:</b> <input checked="" type="checkbox"/> All dates <input type="checkbox"/> Specific date(s): _____  <input type="checkbox"/> Date of Service; For Facilities: <input type="checkbox"/> n/a <input type="checkbox"/> Facility admission <input type="checkbox"/> Facility discharge  <input type="checkbox"/> Date of processing</p> <p><b>Provider</b> <input checked="" type="checkbox"/> Contracted directly, any/all networks</p> <p><b>Contract Status:</b> <input checked="" type="checkbox"/> Contracted with a secondary network <input checked="" type="checkbox"/> Out of Network</p>				
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## Reimbursement Guidelines

### A. Legibility of Records

All entries must be legible to another reader to a degree that a meaningful review may be conducted. Please use care to ensure that records are not rendered illegible by poor handwriting or poor copy quality. If the records cannot be read after review by three different persons, the documentation (or any unreadable portion) is considered illegible. When illegible records are received, the services are considered not documented and therefore non-billable and will not be reimbursed.

**Note:** It is not acceptable to obscure portions of the record in any way (e.g., white-out, black-out marker, post-it note covering, etc.). This renders that portion of the record illegible and is an alteration of the medical record. When records are received with information obscured, services will be denied because:

- A portion of the records are illegible and/or unreadable.
- The records have been altered.
- We are unable to verify that we have complete and accurate information upon which to base our determination.

(This comment does not apply to sanitizing social security numbers or other non-medical HIPAA-protected information from the documents submitted.)

## **B. Providing Records for Review**

The “burden of proof” remains with the provider to substantiate services and/or supplies billed. (*Noridian*<sup>7</sup>) All information required to support the codes and services submitted on the claim is expected to be in the member’s medical record and be available for review. The provider submitting the claim is responsible for providing upon request all pertinent information and records needed to support the services billed. When the billing provider receives a letter or fax requesting information needed for an audit or review, if the requested documents and information are not received within the required timeframe, the record is deemed not to exist, and the services not documented. If the documentation is incomplete or insufficient to support the services, then the service or item will be considered as not documented.

Some providers choose to house test reports or other elements of the documentation at a different location from the office or facility. For example, the physician may bill for reading an EKG or X-ray performed in the hospital or the ASC/facility may bill the facility fees for a surgery but not keep a copy of the operative report. Because the billing provider is required to submit documentation to support billed charges upon request, it would be best practice if both the physician and the facility keep a copy of the relevant reports in their records so that it is readily available when needed. (FCSO Medicare <sup>20</sup>) Otherwise, your office is responsible for obtaining a copy of the needed records from the other location/provider and submitting them within the timeframe specified in the request. (CMS<sup>43</sup>) When the response to a medical records request indicates the billing provider does not have a copy of the records to support the billed services/codes and instructs the health plan to contact another provider for the needed records, the services will be denied as not documented.

Any records, documentation or information not received in response to the original records request or discovered after the review is complete will be considered for possible reconsideration of the audit review only at Moda Health’s sole discretion. Please ensure that your response to records requests is both prompt and complete.

When services (procedure codes) are not documented or insufficiently documented, the record does not support that the services were performed and so they are not billable; there is no justification for the services or level of care billed. Therefore, services that are determined to be not documented are denied to provider responsibility and the member may not be balance-billed for the items. (Novitas<sup>42</sup>) If the claim has already been adjudicated (e.g., claim already released, post-payment audit), the reimbursement is considered an overpayment and a refund will be requested and the funds recovered if necessary.

## **C. Items Not Considered Part of the Medical Record**

Supporting documentation for all billed services must be contained in the patient’s written medical record. The following items are specifically not considered part of the medical record (not an all-inclusive list):

1. Notations on the claim.  
Any notations on the claim (e.g., size, dose, quantity, make, model, anatomical location, etc.) must be supported within the medical record itself.
2. Notations or comments on a fax cover sheet, records request letter, cover letter, etc. in lieu of records or accompanying the submitted records.

3. Phone statements.  
Any information provided in phone statements discussing a claim or billed services must be supported within the medical record itself.
4. Appointment books, schedules, ledgers, logs, charge capture reports, etc. (electronic or hardcopy).
5. Appeal letters and/or reconsideration requests.  
Appeal letters or reconsideration requests are useful to describe the basis for the appeal and reference supporting information. However, any information regarding the patient's condition and/or the services provided must be supported within the medical record itself.

#### D. Correct Reporting of Units

Units of service must be reported correctly.

Each HCPCS/CPT code has a defined unit of service for reporting purposes. A physician or facility should not report units of service for a HCPCS/CPT code using a criterion that differs from the code's defined unit of service. (*NCCI Policy Manual*<sup>10</sup>)

#### E. Time-based Services

1. For any time-based procedure codes (codes with descriptions that specify an increment of time such as minutes or hours) the duration of the service must be clearly documented in the medical record. If the duration of the time-based service is not clearly and properly documented in the medical record, then the service is not supported due to incomplete documentation; the procedure code will be denied as not documented.
  - a. Documentation in terms of "units" does not constitute documentation of time or duration. The actual number of minutes or begin-to-end times must be used.
  - b. A unit of time is attained when the mid-point is passed. (This is consistent with the Medicare "8-minute rule" and CPT book guidelines on reporting time-based services.<sup>6</sup>)
  - c. Time must be reported in full one-minute increments. Any fractions of less than one-minute will not be considered in the review.
  - d. If the time is documented with a range of time, only the lowest amount of time is supported in the record. Example: "Total time for performing exercises is 5 – 8 minutes." Only five (5) minutes is supported by this documentation.
  - e. If the amount of time the service was performed is less than 50% of the time described for the procedure code, then the service will not be separately reimbursable, but will be considered incidental to the other services performed on that date.
2. Only one time-based code may be performed at a time. Because of this, if more than one procedure code is billed for the same date of service, to fully support all the billed services, the time must be separately documented for each specific procedure or time-based service. This will clearly document what portion of the total visit was spent performing each of the billed codes.
3. Methods and examples for time documentation:
  - a. Acceptable:
    - i. Specific number of minutes. Example: "Manual therapy to lumbar spine x 15 minutes."

- ii. Listing begin-time and end-time for service. Example: “E-stim to cervical neck, 09:30 – 09:45.”
- b. Unacceptable:
  - i. Documenting time in terms of “units”. Examples: “One unit of pulsed ultrasound was administered.” or “Ther Ex 1 unit.”
  - ii. Documenting time using a range. Example: “Therapeutic activities x 6 – 12 minutes as appropriate per assessment and symptoms.”
  - iii. Documenting a quantity but not specifying the measurement or increment used. Example: “97110 Exercises x 2”
  - iv. No time mentioned at all. Example: Checking or circling “NMR” or “TE” with no additional information documented.

## F. Quantities and Measurements

1. Quantities and measurements must be specified in the documentation to support the codes and units of service billed.
  - a. When quantities are not specified, the use of a singular noun or term supports a quantity of one. The use of a plural term (e.g., “lesions,” “screws,” “inches,” “warts,” “injections,” etc.) will support more than one, but only two of that item or service and no more. For example:
    - i. “Lesion” supports one lesion.
    - ii. “Lesions” supports two lesions.
    - iii. “Two lesions” supports two lesions.
    - iv. “Three lesions” supports three lesions.
    - v. “Four lesions” supports four lesions.
    - vi. Etcetera.
  - b. “Several” is not a specific quantity and is also considered a non-specific plural that supports only a quantity of two (2) for billing purposes.
  - c. “A couple” designates a quantity of two (2) and no more, for billing purposes.
  - d. Documentation in terms of “units” or the CPT or HCPCS code does not constitute documentation of quantity or measurement. The number of inches (in), centimeters (cm), milliliters (ml), milligrams (mg), cubic centimeters (cc), etc. must be documented as the quantity, length, or measurement. That documentation will then be translated into the correct number of units to bill, based upon the quantity specified in the applicable code description.
 

For example:

The documentation states 205 mg of etoposide was given.  
 Etoposide is billed with HCPCS code **J9181** (Injection, etoposide, 10 mg).  
 205 mg given/10 mg per unit of J9181 = 20.5 units.  
 20.5 units is rounded up to nearest whole unit = bill with J9181 x 21 units.
  - e. If quantities or measurements are documented with a statement of range (e.g., 2-3 inches), then only the lowest of the range stated is considered supported in the documentation.
  - f. Excision codes (Integumentary) – The measurement of lesion plus margin is made prior to excision. The measurement must be documented in the body of the operative report.



6. If the signature is missing, use the signature attestation process. (CMS<sup>27</sup>) The attestation must be signed and dated by the author of the medical record entry and contain sufficient information to identify the member and the specific encounter record involved.
7. For examples of specific signature situations which do and do not meet the signature requirements, refer to the chart provided by Noridian (<sup>7</sup>) and/or the Medicare Program Integrity Manual (CMS<sup>47</sup>).

(Noridian<sup>7 & 26</sup>, CMS<sup>27, 40, & 41</sup>)

## I. Proof of Delivery (POD) Documentation

1. Moda Health follows CMS and Noridian Medicare proof of delivery documentation requirement guidelines. Proof of delivery is needed for any tangible supply or item which is not a professional service. This includes but is not limited to: DME, supplies, self-administered drugs, home infusion therapy supplies, orthotics, etc. (Noridian<sup>28</sup>, CGS<sup>44</sup>, CMS<sup>37, 45</sup>)
2. Methods of Delivery
  - a. Delivery directly to the member/patient or authorized representative. Includes:
    - i. Patient picks up the item at the office.
    - ii. A supplier employee delivers the item to the member or designee at home or elsewhere (e.g., delivery via car, van, or truck).
  - b. Delivery via shipping or delivery service.
  - c. Delivery of items to a nursing facility on behalf of the member/patient.
3. Proof of delivery (POD) is a Supplier Standard. Suppliers are required to maintain proof of delivery documentation in their files, and to provide the documentation upon request. (Noridian<sup>28</sup>, CMS<sup>37, 45</sup>)
  - a. Proof of delivery documentation provides verification that the provider properly coded the item(s), that the item(s) delivered are the same item(s) submitted on the claim for reimbursement and that the item(s) are intended for, and received by, a specific member.
  - b. The POD documentation must:
    - i. Clearly identify the item(s) being delivered so that the documentation can be correlated to support the specific procedure codes on the claim. (Noridian<sup>28</sup>)
    - ii. Indicate of the method of delivery.
  - c. Additional POD documentation requirements vary based on the method of delivery.
    - i. If delivered directly to the member or designee:
      - 1) A dated signature of the member or designee indicating receipt or delivery of the item is needed. (CGS<sup>44</sup>)
      - 2) Note that for PHE dates of service 3/1/2020 – 5/11/2023, if the member’s signature could not be obtained because of COVID-19 then alternate documentation is acceptable in place of the member’s dated signature. (CMS<sup>49</sup>)
    - ii. If delivered via shipping or delivery service, the supplier may use one of the following as proof of delivery documentation:
      - 1) The delivery service tracking and delivery document.

- 2) A return postage-paid delivery invoice from the beneficiary or designee as POD. This type of POD document must contain the information specified above. (CGS & Noridian<sup>50</sup>)
    - iii. If delivered to a nursing facility, POD must also include documentation from the nursing facility demonstrating receipt and/or usage of the item(s) by the member.
- 4. The date of service on the claim must match the date on the proof of delivery.
  - a. For delivery directly to the patient or designee, the date of service is the date of the member's signature for receipt.

Note that for PHE dates of service 3/1/2020 – 5/11/2023, if the member's signature could not be obtained because of COVID-19 then alternate documentation is acceptable in place of the member's dated signature. (CMS<sup>49</sup>)
  - b. For delivery via shipping or delivery service, the date of service is either:
    - i. The date of delivery.
    - ii. The date of shipment. The shipping date may either be:
      - 1) The date the delivery/shipping service label is created.
      - 2) The date the item is retrieved for delivery.

However, such dates should not demonstrate significant variation. (CMS<sup>37, 45</sup>)
  - c. For delivery of items to a nursing facility (not using a shipping service), the date of service is the date of the staff's signature for receipt on behalf of the member.

#### J. Documentation of Orders For Tests and Services

- 1. Many services, both diagnostic and therapeutic, require physician/provider orders to be performed. For example, chest x-rays, CAT scans, EKGs, laboratory tests, issuing DME items, dispensing prescription medications, physical therapy, home infusion services, etc. This creates two distinct provider roles involved in the service:
  - a. The ordering physician/provider.
  - b. The performing and billing provider.
- 2. Performing/Billing Provider Responsibilities.
  - a. It is important that performing providers review incoming orders and actively query the ordering provider as needed when there are concerns about medical necessity criteria and to ensure the diagnosis codes include all required characters (are complete) and are specific about the laterality and site of the patient's condition (no unspecified laterality or unspecified site diagnosis codes).
  - b. Accurate and complete documentation of a valid and specific provider order for these services is an essential element of supporting documentation to verify the services for reimbursement purposes. The order for the services needs to identify the reason for the services ordered accurately and completely so that the claim can be submitted with diagnosis codes which:
    - i. Support medical necessity.

- ii. Meet correct coding requirements.
    - 1) Are complete (include all required characters).
    - 2) Are specific about laterality (no unspecified laterality diagnosis codes).
    - 3) Are specific about the site of the condition(s) (no unspecified site diagnosis codes).
  - c. When records are requested by Moda or one of our business associates/vendors:
    - i. Per CMS, the billing provider whose claim is being reviewed is responsible to do the work to obtain all the needed supporting documentation from the referring physician, facility, or other providers if necessary, and then submit those records to the carrier or review organization. (CMS<sup>51</sup>)
    - ii. The billing provider may need to and is able to obtain records from visits prior to the date of service listed on the medical records request, if that is where the physician orders or other needed documentation is located. (CMS<sup>51</sup>)
  - d. If records are requested for review, laboratory studies and other services which require a provider order that do not have a documented provider order as described below will be denied for lack of supporting documentation.
3. Ordering Physician/Provider Responsibilities.

- a. When ordering an item or service that will be furnished by another entity (e.g., a laboratory, radiology, DME service, etcetera), the ordering provider must supply to the performing provider adequate documentation supporting medical necessity for the ordered services, so that the performing provider can meet medical necessity coding and documentation requirements. (CMS<sup>46</sup>)
  - i. This information needs to be included on the order itself whenever possible. Additional documentation or medical records may be appended to the order for the item or service, if needed.
  - ii. Ordering providers who fail to forward this needed information with the order for services or submit documentation upon a supplier's request may trigger coding and documentation reviews of their own claims for evaluation and management services.
- b. "Note: There are some circumstances for which an order does not need to be signed. As an example, orders for clinical diagnostic lab tests are not required to be signed. The rules in 42 CFR 410 and IOM Medicare Benefit Policy Manual, Publication 100-02, Chapter 15, Section 80.6.1, state that if the order for the clinical diagnostic test is unsigned, there must be medical documentation by the treating physician (e.g., a progress note) that he/she intended the clinical diagnostic test be performed. This documentation showing the intent that the test be performed must be authenticated by the author via a handwritten or electronic signature." (CMS<sup>23</sup>) (CMS<sup>24</sup>) (Noridian<sup>25</sup>)

Comments to clarify terms in quote above:

["orders for clinical diagnostic lab tests" is equivalent to a requisition form.]

["must be authenticated by the author via a handwritten or electronic signature" means these documents must be signed and dated.]

- c. "Documentation and recordkeeping requirements... We clarified that we do not require the signature of the ordering physician on a requisition for laboratory tests. However,



documentation that the physician ordered the test must be available upon our request.” (CMS 42 CFR 410<sup>23</sup>, page 4)

4. Requirements for orders & supporting documentation.
  - a. We apply the same CMS requirements and exceptions from CMS 42 CFR 410<sup>23</sup>, both to clinical diagnostic lab tests and to all other types of services requiring an order. Documentation that the treating physician ordered the test(s) must be available from the billing office/provider upon request. (CMS 42 CFR 410<sup>23</sup>) The billing office (clinical lab/pathologist, radiologist, etc.) has choices about which form or type of documentation they maintain or utilize to fulfill this requirement.
    - i. A requisition form signed and dated by the treating physician is one acceptable method of documenting the physician order.
    - ii. Instead of a signed and dated requisition form, the billing office may provide medical documentation by the treating physician showing that he/she intended the clinical diagnostic test be performed.
      - 1) (Examples include progress note, office visit note, operative report noting specimens submitted and tests requested.)
      - 2) Specific tests requested must be identified, not just “labs sent,” “custom profile,” etc.
      - 3) This alternative documentation from the treating physician’s medical records must be signed and dated.
  - b. The full list of requirements and alternative acceptable documentation that the treating physician ordered the test(s) or service(s) is provided below.

Provider orders must be:

- i. From a licensed provider who has evaluated the patient.
- ii. Signed and dated.
  - 1) Orders must be dated on or prior to the date of service.
  - 2) Verbal orders or telephone orders for a test or service may be countersigned by the physician after test or service has been performed if:
    - a) The verbal/telephone order is fully documented with the date, time, name, and credentials of the person supplying and receiving the order and,
    - b) The order is countersigned by the ordering provider as soon as possible after the verbal/telephone order, but no later than 30-days after the order was given.
  - 3) Electronic signatures from the ordering provider are acceptable in electronic health records.
  - 4) Electronic signatures from office staff working in the ordering provider’s office are not acceptable.
  - 5) “Signature On File” is not acceptable as a valid signature from the provider. “Signature On File” is also not considered an electronic provider signature.

Requisitions submitted with "Signature On File" are considered unsigned by the provider.

- 6) If handwritten, the signature must be legible, or verifiable as the actual ordering provider's signature (for example, accompanied by copy of provider signature log).
- iii. Specific to an individual member and to the individual member's medical treatment plan.
  - 1) The order needs to include the member's name and any other means of identifying the member to be tested.
  - 2) Moda Health does not accept as appropriate documentation an order/requisition for a 'custom profile', or any similar document, used to establish general instructions for testing all patients of a physician or practice.
- iv. Specific regarding the test or services to be performed.

Any orders or requisitions referring to the 'custom profile' or any similar document are not acceptable as appropriate documentation of an order because they do not specify or designate which individual tests are to be performed as part of the profile or custom panel.
- v. Orders for an ongoing series of regular tests and/or services shall be valid to support services for no longer than one year (365 days) from the date of the signed order. For additional tests or services in the series after the original order expires, an updated signed order will need to be obtained and kept on file.
- vi. May be substantiated in the visit records if specific orders are documented in the visit notes and if the notes are signed. ("Order labs" is not specific, but "Order K+ level & lipid panel" is specific.) (CMS 42 CFR 41023, page 4) (CMS<sup>24</sup>) (Noridian<sup>25</sup>)
- vii. Supplied for review upon request.

#### **K. Cloning of Medical Records**

1. Cloned medical records entries are not reliable as an accurate record of the events and services depicted. All documentation in the medical record must:
  - a. Be specific to the patient.
  - b. Be specific to the situation at the time of the encounter.
  - c. Accurately reflect the services performed.
  - d. Support the necessity for the services.
  - e. Clearly identify who performed the services and assessments documented.
  - f. Clearly identify the author of each note or entry.
  - g. Clearly identify the date and time the entry was made.
2. Services are considered not documented when cloned documentation is found or identified, and services will be denied due to the lack of supporting documentation. If services have previously been allowed, refund requests and recoupment of payment may occur.
3. Cloned documentation is considered a misrepresentation of the events and services in that entry and a falsification of the medical record (FCSO Medicare <sup>12</sup>); the accuracy and validity of the entire entry is damaged. Other entries in the record may also become suspect. (OMB <sup>22</sup>)

4. Medical records documentation is considered cloned when:
  - a. Multiple entries in a patient chart are identical or similar to other entries in the same chart.
  - b. Entries in the medical record are identical or similar from patient to patient to patient, without expected unique variations. It would not be expected that every patient had the exact same problem, symptoms, and required the exact same treatment.
  - c. Information from previous entries of the same provider or other providers is pulled forward into the current entry, particularly when it is not updated or not relevant to the current encounter.
  - d. In other words, copying and pasting, pulling forward information, and the use of macros or templates could all be considered cloning.
  
5. Over-documentation is the practice of inserting false or irrelevant documentation to create the appearance of support for billing higher level services. (OIG <sup>11</sup>) Vast amounts of clinical data and whole text from previous notes or the initial history and physical do not add value or clarity to the medical record; the story of the patient and the services becomes muddled and obscured under a deluge of clinical information that may not even be relevant or current.
  
6. Although the problem has certainly become more prevalent with the advent and increased use of electronic medical records systems (EHR/EMR), cloning of medical records can occur in all types of medical record formats (handwritten, dictated, typed, and electronic).

#### L. Records Considered for Review

1. The following documentation *will* be considered when determining the validity of services billed and the processing of the claim:
  - a. Documentation submitted for the initial review and part of the original medical record.  
(Note: Phone statements, appeal letters, reconsideration requests, notations on the claim, etc. are not considered part of the original medical record.)
  - b. Corrections to the medical record will be considered when *all* the following criteria are met:
    - i. Legally amended.  
**Note:**  
For guidelines regarding legal corrections and amendments to medical records, please see “Documentation Guidelines - Amended Records,” which is attached at the end of this document. (Noridian<sup>1</sup>, Novitas<sup>39</sup>, CMS<sup>40</sup>)
    - ii. Amended within 30-days of date of service (outpatient) or date of discharge (inpatient). (The Joint Commission<sup>8, 9</sup>)
    - iii. Amended prior to claims submission and/or medical review.
    - iv. Amendment contains signature, date of amendment, and reason for the addition or clarification of information being added to the medical record.  
(Noridian<sup>1</sup>, Novitas<sup>39</sup>, CMS<sup>40</sup>)
  
2. The following documentation *will not* be considered when determining the validity of services billed and the processing of the claim:
  - a. Changes or amendments which appear in the record more than 30-days after the date of service/discharge.

- b. Changes or amendments made after a records request.
- c. Changes or amendments made after a payment determination.
- d. Medical records with information obscured or blocked in some manner (e.g., white-out, black-out marker, etc.)
- e. Documentation or statements which is/are not part of the medical record.
  - i. Phone calls or other verbal statements.
  - ii. Statements in appeal letters or other written documentation made in lieu of corrections or amendments to the medical record.

## M. Reconsiderations and Appeals

Appeal of claims denied based on an incomplete record *may* result in a reversal of the original denial if the information supplied includes pages or components that were part of the original medical record but were not submitted on the initial review.

## Codes, Terms, and Definitions

### Acronyms & Abbreviations Defined

Acronym or Abbreviation		Definition
AAOS	=	American Academy of Orthopaedic Surgeons
AMA	=	American Medical Association
CAT	=	Computerized Axial Tomography
CFR	=	Code of Federal Regulations
CCI	=	Correct Coding Initiative (see "NCCI")
CMS	=	Centers for Medicare and Medicaid Services
CPT	=	Current Procedural Terminology
DME	=	Durable Medical Equipment
DRG	=	Diagnosis Related Group (also known as/see also MS DRG)
EHR	=	Electronic Health Record
EKG / ECG	=	Electrocardiogram
EMR	=	Electronic Medical Record
HCPCS	=	Healthcare Common Procedure Coding System (acronym often pronounced as "hick picks")
HIPAA	=	Health Insurance Portability and Accountability Act
ICD-10-CM	=	International Classification of Diseases, 10 <sup>th</sup> Revision, Clinical Modification
LCMP	=	Licensed/Certified Medical Professional
MAC	=	Medicare Administrative Contractor

Acronym or Abbreviation		Definition
MS DRG	=	Medicare Severity Diagnosis Related Group (also known as/see also DRG)
NCCI	=	National Correct Coding Initiative (aka "CCI")
OIG	=	Office of Inspector General
POD	=	Proof of Delivery
RAC	=	Recovery Audit Contractor
RPM	=	Reimbursement Policy Manual (e.g., in context of "RPM052" policy number, etc.)
UB	=	Uniform Bill

**Coding Guidelines & Sources** - (Key quotes, not all-inclusive)

"Select the name of the procedure or service that accurately identifies the service performed. Do not select a CPT code that merely approximates the service provided. If no such specific code exists, then report the service using the appropriate unlisted procedure or service code." (*CPT Code Book*<sup>2</sup>)

When submitting claims to the carrier, procedure codes are to be selected based upon the services documented in the patient’s medical record at the time of code selection. "The CPT/ICD-9 codes reported on the health insurance claim form or billing statement should reflect the documentation in the medical record." (*CPT Assistant*<sup>3</sup>)

"The medical record chronologically documents the care of the patient in order to...facilitate claims review and payment...and...serve as a legal document to verify the care provided." (*CPT Assistant*<sup>3</sup>)

"The medical record should be complete and legible." (*CPT Assistant*<sup>2</sup>)

"Because payers have a contractual obligation to enrollees, they may request additional documentation to validate that services provided were:

- appropriate to the treatment of the patient's condition;
- medically necessary for the diagnosis and/or treatment of an illness or injury; and
- coded correctly." (*CPT Assistant*<sup>3</sup>)

Third-Party Additional Documentation Requests

Upon request for a review, it is the billing provider’s responsibility to obtain supporting documentation as needed from a referring physician’s office (for example, physician order, notes to support medical necessity) or from an inpatient facility (for example, progress note). The Medicare Program Integrity Manual, Chapter 3, Section 3.2.3.3, "Third-Party Additional Documentation Request" states:

The treating physician, another clinician, provider, or supplier should submit the requested documentation. However, because the provider selected for review is the one whose payment is at risk, it is this provider who is ultimately responsible for submitting, within the established timelines, the documentation requested by the [reviewer] MAC, CERT, Recovery Auditor and ZPIC." (CMS<sup>43</sup>)

**“Question:**

How does HCFA feel about templates for physicians to use when dictating exams? These would be physician prompts to comment upon the mandated elements of the exam, not actual verbiage that would "spit out" with the striking of a single key?

**Answer/AMA Comment:**

HCFA is opposed to templates for physicians to use when dictating exams, because the minimum requirements of the Documentation Guidelines does not preclude adherence to other physician, institutional, and/or medical record documentation requirements.” (*CPT Assistant*<sup>4</sup>)

“Medical records not only must be accurate, but also must be completed in a timely manner. Entries to the record should be made when the treatment they describe is given or when the observations to be documented are made. Specific legal requirements that entries be made within a certain time following a patient’s discharge also exist. Regulations on participation in federal reimbursement programs, for example, require that hospital records be complete within 30 days following the patient’s discharge....Joint Commission standards of accreditation for a variety of healthcare organizations also impose timeliness as a standard for gathering medical records data.” (*Roach, et al*<sup>5</sup>)

“Corrections to records, although perfectly permissible, can create serious problems, especially for a healthcare provider involved in negligence litigation. Even if the correction improves the accuracy of the record, a correction can generate difficulties if it is improperly made, deteriorates legibility, or cannot be authenticated. In addition, any alterations made simply to improve the defense of a lawsuit or to defraud third-party payers can have serious consequences for a healthcare provider, including the imposition of criminal sanctions. For all these reasons, therefore, a healthcare provider’s medical records policy should address the timeliness and manner for both creating and updating patient records.” (*Roach, et al*<sup>5</sup>)

“In addition, entries that are not contemporaneous with the service provided are less likely to be accurate, and therefore will have less credibility than those made during or immediately after the treatment. If an entry is made after a lawsuit has been threatened or filed, late entries may appear to have been made for the self-serving purposes of establishing a defense rather than for documenting the actual treatment rendered.” (*Roach, et al*<sup>5</sup>)

“A unit of time is attained when the mid-point is passed. For example, an hour is attained when 31 minutes have elapsed (more than midway between zero and sixty minutes). A second hour is attained when a total of 91 minutes have elapsed.” (*AMA*<sup>6</sup>)

“Documentation in the medical record is entered in a timely manner...The hospital defines the time frame for completion of the medical record, which does not exceed 30 days after discharge.” (*The Joint Commission*<sup>8,9</sup>)

“Physicians must report units of service correctly. Each HCPCS/CPT code has a defined unit of service for reporting purposes. A physician should not report units of service for a HCPCS/CPT code using a criterion that differs from the code’s defined unit of service.” (*NCCI Policy Manual*<sup>10</sup>)

“Documentation and recordkeeping requirements... We clarified that we do not require the signature of the ordering physician on a requisition for laboratory tests. However, documentation that the physician ordered the test must be available upon our request.” (CMS 42 CFR 410<sup>23</sup>, page 4)

*“Response [to public comments of proposed rule]: Regulations set forth at § 410.32(a) require that diagnostic x-ray tests, diagnostic laboratory tests, and other diagnostic tests must be ordered by the physician who is treating the beneficiary for a specific medical problem and who uses the results in the management of the beneficiary’s specific medical problem. Some have interpreted this regulation to require a physician’s signature on the requisition as documentation of the physician’s order. While the signature of a physician on a requisition is one way of documenting that the treating physician ordered the test, it is not the only permissible way of documenting that the test has been ordered. For example, the physician may document the ordering of specific tests in the patient’s medical record. As stated in the preamble to the March 10, 2000 proposed rule, we will publish an instruction to Medicare contractors clarifying that the signature of the ordering physician is not required for Medicare purposes on a requisition for a clinical diagnostic laboratory test....Authorization does not equate to physician signature; the CLIA regulations provide, for example, that the patient’s chart or medical record may be used as the test requisition. The CLIA regulations address this written authorization as a means of ensuring that laboratories are not performing tests that were not authorized. They do not address or conflict with the requirement that there be documentation of the physician’s order available upon request of the Medicare contractor. Of course, if the physician signs the requisition himself, it would satisfy both the requirement in § 410.32(a) and § 405.1105.” (CMS 42 CFR 410<sup>23</sup>, page 16)*

*“Clarification the signature is not required on requisition as contained in section III.D.3 of the proposed rule.” (CMS 42 CFR 410<sup>23</sup>, page 21)*

**“NOTE:** No signature is required on orders for clinical diagnostic tests paid on the basis of the clinical laboratory fee schedule, the physician fee schedule, or for physician pathology services;... While a physician order is not required to be signed, the physician must clearly document, in the medical record, his or her intent that the test be performed.” (CMS<sup>23</sup>)

*“If the order is communicated via telephone, both the treating physician/practitioner or his/her office, and the testing facility must document the telephone call in their respective copies of the beneficiary’s medical records.” (CMS<sup>24</sup>)*

**“Q18. If a lab requisition form is dated and includes a valid legible provider signature, is that considered a valid order?”**

A18. Yes, it would be considered valid for the signature requirement; however, the test is subject to medical necessity by the provider's intent that the clinical diagnostic test should be performed.

**Q19. To clarify clinical lab reports and the signature requirements, should the reports be signed by the ordering provider or the lab director?**

A19. The order should be authenticated by the provider via a handwritten or electronic signature.

**Note:** There are some circumstances for which an order does not need to be signed. As an example, orders for clinical diagnostic lab tests are not required to be signed. The rules in 42 CFR 410 and IOM Medicare Benefit Policy Manual, Publication 100-02, Chapter 15, Section 80.6.1, state that if the order for the clinical diagnostic test is unsigned, there must be medical documentation by the treating physician (e.g. a progress note) that he/she intended the clinical diagnostic test be performed. This documentation showing the intent that the test be performed must be authenticated by the author via a handwritten or electronic signature.” (Noridian<sup>25</sup>)

*“Documentation is considered cloned when each entry in the medical record for a beneficiary is worded exactly like or similar to the previous entries. Cloning also occurs when medical documentation is exactly*

the same from beneficiary to beneficiary. It would not be expected that every patient had the exact same problem, symptoms, and required the exact same treatment.

Cloned documentation does not meet medical necessity requirements for coverage of services rendered due to the lack of specific, individual information. All documentation in the medical record must be specific to the patient and her/his situation at the time of the encounter. Cloning of documentation is considered a misrepresentation of the medical necessity requirement for coverage of services. Identification of this type of documentation will lead to denial of services for lack of medical necessity and recoupment of all overpayments made.” (FCSO Medicare <sup>12</sup>)

“If a provider’s notes contain a laundry list of the patient’s chronic and acute conditions, the structural integrity of the note — which is supposed to represent what happened during the specific visit — becomes compromised. The assessment and plan should reflect the problems addressed that day, with a status update. The documentation guidelines before EHRs did not allow using and updating a previous assessment and plan. Until CMS updates or changes the guidelines, the rules still stand (CMS 1995 and 1997 Documentation Guidelines for Evaluation and Management Services).” (Hall <sup>13</sup>)

“**Beware the point-and-click...**Second, the Board has seen cases in which the practitioner cannot resist the temptation to click on an exam box to qualify for a level of service when the exam was, in fact, not done. In cases that have been reviewed by the Board, these fabrications are usually obvious and have the effect of calling into the question the integrity of the licensee as well as the entire medical record.” (OMB <sup>22</sup>)

“**Beware the cut-and-paste.** Most EMR systems offer a macro with which the physician, with a mouse click, can enter an entire operative report or a copy of the previous office note. Again, the integrity of the entire medical record is weakened when factual inaccuracies are perpetuated through a macro.” (OMB <sup>22</sup>)

“2) Look at the top of the operative report where it indicates the operation performed...As you read through the operative report, highlight the procedures that are described. **Sometimes there are additional procedures which may be coded; sometimes the procedures listed at the top of the operative report were not performed.** Report only those services that are documented in the operative report. If there is a discrepancy, ask the physician to review your coding to ensure that it is accurate. ...

8) Code only the procedure(s) in the operative report you verified in step two. If in your discussion with the physician, he/she indicates that additional procedures were performed that are not reflected in the operative report, ask the physician to dictate an addendum to the operative report describing the performance of the additional procedure(s).” (AMA<sup>31</sup> bold font contained in original AMA text)

“The title of the procedure is a brief description of what procedures the physician performed and helps coders know what is going on. This should be a total listing of what the physician did, but does not determine whether the item can be coded and billed, Pegram said. Coders should never code from the title of the procedure.” (HCPPro<sup>34</sup>)

“Warning: Do not code procedures from the outline in the report! These headings are merely previews of what is to come. Regardless of what the heading says, for a procedure to be eligible for reimbursement, it must be documented in the body of the report.” (Smiley<sup>35</sup>)

“Remember: The documentation for the procedure should always be described in the body of the report. If the body of the report does not contain something that is mentioned in the heading, then the physician



must correct the documentation before it can be reported. Remember the mantra of the medical coder: "If the doctor didn't say it, it wasn't done." (Smiley<sup>35</sup>)

"The operative note is the full report of what the surgeon performed during surgery. What do you do if the "procedures performed" indicates something that is not included in the body of the operative report? Query the provider." (Edwards<sup>36</sup>)

"Suppliers are required to maintain proof of delivery documentation in their files. Proof of delivery documentation must be maintained in the supplier's files for seven years (starting from the date of service). ... Proof of delivery is also one of the supplier standards as noted in 42 CFR § 424.57(c)(12). ... Proof of delivery documentation must be made available, within the prescribed timeframes, ... upon request. For any items that do not have proof of delivery from the supplier, such claimed items shall be denied ... and overpayments recovered." (CMS<sup>45</sup>)

"Suppliers must maintain proof of delivery documentation in their files for 7 years (starting from the date of service). Section 1833(e) grants MACs the authority to request any information necessary to determine the amounts due. This includes proof of delivery to verify that the beneficiary received the Durable Medical Equipment Prosthetic, Orthotics, & Supplies (DMEPOS) item and to determine the amounts to pay the provider for the item. Proof of delivery is a supplier standard as noted in 42 CFR Section 424.57(c)(12).

Initial Delivery:

There are three methods of delivering items of DMEPOS to beneficiaries:

- Supplier delivering directly to the beneficiary or designee
- Supplier utilizing a delivery/shipping service to deliver items
- Delivery of items to a nursing facility on behalf of the beneficiary

Upon receipt, the designee (who may not be any party with a financial interest) must legibly sign and accept the item(s). If the signature is not legible, the supplier/shipping service should note the name of the designee on the delivery slip. The beneficiary, designee, or the supplier should also enter the date of delivery. The date that the beneficiary got the DMEPOS item should be the date of service on the claim. If the supplier uses a delivery/shipping service, the supplier may use the shipping date as the date of service on the claim. The shipping date can be the date the delivery/shipping service label is created or the date the item is retrieved for delivery." (CMS<sup>37</sup>)

"The physician/LCMP should be aware that inadequate medical record documentation can lead to a financial liability for the Beneficiary and/or Supplier, should the reviewer determine that a claim is not supported." (CMS<sup>46</sup>)

"In addition, the physician/LCMP should be aware that when ordering an item or service that will be furnished by another entity, Section 1842(p)(4) of the Social Security Act requires that adequate documentation supporting medical necessity be provided to the entity at the time that the item or service is ordered. Physicians/LCMPs who fail submit documentation upon a supplier's request may trigger increased MAC or RAC review of the physician/LCMP's evaluation and management services." (CMS<sup>46</sup>)

## "II. General Principles of Medical Record Documentation

The principles of documentation listed below are applicable to all types of medical and surgical services in all settings. For Evaluation and Management (E/M) services, the nature and amount of physician work and documentation varies by type of service, place of service and the patient's status. The general

principles listed below may be modified to account for these variable circumstances in providing E/M services.

1. The medical record should be complete and legible.
2. The documentation of each patient encounter should include:
  - reason for the encounter and relevant history, physical examination findings and prior diagnostic test results;
  - assessment, clinical impression or diagnosis;
  - plan for care; and
  - date and legible identity of the observer.
3. If not documented, the rationale for ordering diagnostic and other ancillary services should be easily inferred.
4. Past and present diagnoses should be accessible to the treating and/or consulting physician.
5. Appropriate health risk factors should be identified.
6. The patient's progress, response to and changes in treatment, and revision of diagnosis should be documented.
7. The CPT and ICD-9-CM codes reported on the health insurance claim form or billing statement should be supported by the documentation in the medical record.” (AMA<sup>40</sup>)

#### “Third-Party Additional Documentation Requests

When CERT requests a review, the billing provider must get supporting documentation (for example, physician’s order or notes to support medical necessity) from a referring physician’s office or from an inpatient facility, skilled nursing facility, or other location where records (for example, progress notes) are kept to support the services billed, ordered, or provided.

The billing provider should submit the requested documentation because they’re the entity whose payment CERT reviews.

...Instruct medical record staff and third-party medical record copy services to provide all records that support payment. This may include records for services before the date of services listed on the medical record request...” (CMS<sup>51</sup>)

Note: Because we follow CMS requirements, these statements about CMS CERT reviews apply to our claim reviews for all lines of business as well.

#### Cross References

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- B. [“Records Fees, Copying Fees.”](#) Moda Health Reimbursement Policy Manual, RPM005.
- C. [“Clinical Drug Screening and/or Drug Testing.”](#) Moda Health Reimbursement Policy Manual, RPM016.
- D. [“Modifier 63 - Procedure Performed on Infants Less Than 4 kg.”](#) Moda Health Reimbursement Policy Manual, RPM062

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## Background Information

All healthcare entities and providers are required to keep medical records. These records are a legal document, which serves both clinical needs and to substantiate the services and items billed on the claim submitted. (Novitas<sup>42</sup>)

Incomplete or illegible records can result in denial of reimbursement for services billed. Claim payment decisions that result from a medical review of records are not a reflection on the provider's competence as a health care professional or the quality of care provided to the patient/member. Specifically, the results are based on review of the documentation that was received.

## IMPORTANT STATEMENT

The purpose of this Reimbursement Policy is to document our payment guidelines for those services covered by a member's medical benefit plan. Healthcare providers (facilities, physicians, and other professionals) are expected to exercise independent medical judgment in providing care to members. Our Reimbursement Policy is not intended to impact care decisions or medical practice.

Providers are responsible for submission of accurate claims using valid codes from HIPAA-approved code sets and for accurately, completely, and legibly documenting the services performed. Billed codes shall be fully supported in the medical record and/or office notes. Claims are to be coded appropriately according to industry standard coding guidelines (including but not limited to UB Editor, AMA, CPT, CPT Assistant, HCPCS, DRG guidelines, CMS' National Correct Coding Initiative [CCI] Policy Manual, CCI table edits and other CMS guidelines).

Benefit determinations will be based on the member's medical benefit plan. Should there be any conflicts between our Reimbursement Policy and the member's medical benefit plan, the member's medical benefit plan will prevail. Fee determinations will be based on the applicable provider fee schedule, whether out of network or participating provider's agreement, and our Reimbursement Policy.

Policies may not be implemented identically on every claim due to variations in routing requirements, dates of processing, or other constraints; we strive to minimize these variations.

\*\*\*\*\* The most current version of our reimbursement policies can be found on our provider website. If you are using a printed or saved electronic version of this policy, please verify the information by going to [https://www.modahealth.com/medical/policies\\_reimburse.shtml](https://www.modahealth.com/medical/policies_reimburse.shtml) \*\*\*\*\*

## Policy History

Date	Summary of Update
11/8/2023	Clarification/Update Section J: New statements from CMS about billing providers responsibilities when records are requested for their claims; footnote included. Some reorganizing and reformatting of the section for clarity. Coding Guidelines: Added one entry. References & Resources: Added one entry.
10/11/2023	Clarification/Update Section E.2: Clarifying sentence added (moved from RPM003). Section J.1.b: Added information that diagnosis codes on orders also need to be complete and specific to laterally and site.
6/15/2023	Clarification/Update Section I.4 & I.5: Clarification of Proof of delivery options. References & Resources: 2 entries added.

Date	Summary of Update
4/12/2023	Clarification/Update Section I.5.b: Clarification added. Coding Guidelines: 1 entry added. Cross References: Hyperlinks added. References & Resources: 1 entry added.
10/13/2022	Clarification/Update Scope: Idaho added to All States. Section H.7: Additional resource added. Section J: Additional outline sub-numbering added. Added subsection J.1.a with CMS source citation. Acronym table: 3 entries added. Coding Guidelines: 2 entries added. References & Resources: 2 entries added.
6/8/2022	Formatting & clarification/Update: Change to new header. Changed Section field from "Administrative" to "Documentation." Section C.4. Added "charge capture reports." Acronym table: 3 entries added. Coding Guidelines & Sources: 3 quotes added. References & Resources: added # 38 - 45. Footnotes updated. Policy History section: Added. Entries prior to 2022 omitted (in archive storage).
10/9/2014	Policy initially approved by the Reimbursement Administrative Policy Review Committee & initial publication.
1/1/2000	Original Effective Date (with or without formal documentation). Policy based on CMS, CPT, and industry standard documentation and medical records standards and requirements. (See entire References & Resources section listings.)



## Attachment

### Heading: Reminder

### Title: Documentation Guidelines - Amended Records

This article from "*Medicare B News*," Issue 207 dated October 14, 2003 is being reprinted as a reminder to insure that the Noridian Administrative Services' provider and supplier community has access to recent publications that contain the most current, accurate and effective information available.

#### Medical Review Payment Decisions

Incomplete or illegible records can result in denial of payment for services billed to Medicare. Claim payment decisions that result from a medical review of your records are not a reflection on your competence as a health care professional or the quality of care you provide to your patients. Specifically, the results are based on review of the documentation that Medicare received.

In order for a claim for Medicare benefits to be valid, there must be sufficient documentation in the provider's or hospital's records to verify the services were performed, were "reasonable and necessary", and required the level of care that was delivered.

Please understand that Medicare is aware that some patients do require professional services at greater frequency and duration than others, including more extensive diagnostic procedures. When this is the case, documentation substantiating the medical necessity for such treatment must be in the medical record. The documentation of all services rendered is absolutely necessary in order for a claim to be properly evaluated.

If there is no documentation, then there is no justification for the services or level of care billed. Additionally, if there is insufficient documentation on the claims that have already been adjudicated by Medicare, reimbursement may be considered an overpayment and the funds can be partially or fully recovered.

#### Elements of a Complete Medical Record

When records are requested, it is important that you send all associated documentation that supports the services billed within the timeframe designated in the written request. Elements of a complete medical record may include:

- Physician orders, and/or certifications of medical necessity
- Patient questionnaires associated with physician services
- Progress notes of another provider that are referenced in your own note
- Treatment logs
- Related professional consultation reports

- Procedure, lab, x-ray and diagnostic reports

### Amended Medical Records

Late entries, addendums, or corrections to a medical record are legitimate occurrences in documentation of clinical services. A late entry, an addendum, or a correction to the medical record, bears the current date of that entry and is signed by the person making the addition or change.

A **late entry** supplies additional information that was omitted from the original entry. The late entry bears the current date, is added as soon as possible and written only if the person documenting has total recall of the omitted information.

Example: A late entry following treatment of multiple trauma might add: *“The left foot was noted to be abraded laterally.”*

An **addendum** is used to provide information that was not available at the time of the original entry. The addendum should also be timely and bear the current date and reason for the addition or clarification of information being added to the medical record.

Example: An addendum could note: *“The chest x-ray report was reviewed and showed an enlarged cardiac silhouette.”*

When making a **correction** to the medical record, never write over, or otherwise obliterate the passage when an entry to a medical record is made in error. Draw a single line through the erroneous information, keeping the original entry legible. Sign and date the deletion, stating the reason for correction above or in the margin. Document the correct information on the next line or space with the current date and time, making reference back to the original entry.

Correction of electronic records should follow the same principles of tracking both the original entry and the correction with the current date, time and reason for the change. When a hard copy is generated from an electronic record, both records must be corrected. Any corrected record submitted must make clear the specific change made, the date of the change, and the identity of the person making that entry.

### Falsified Documentation

Providers are reminded that deliberate falsification of medical records is a felony offense and is viewed seriously when encountered. Examples of falsifying records include:

- Creation of new records when records are requested
- Back-dating entries
- Post-dating entries
- Pre-dating entries
- Writing over, or

- Adding to existing documentation (except as described in late entries, addendums and corrections)

Corrections to the medical record legally amended prior to claims submission and/or medical review will be considered in determining the validity of services billed. If these changes appear in the record following payment determination based on medical review, only the original record will be reviewed in determining payment of services billed to Medicare.

Appeal of claims denied on the basis of an incomplete record may result in a reversal of the original denial if the information supplied includes pages or components that were part of the original medical record, but were not submitted on the initial review.

**Applies to the states of: AK, AZ, CO, HI, IA, NV, ND, OR, SD, UT, WA and WY.**

**Sources: Medicare B News, Issue 196, dated April 15 2002:  
“Documentation Guidelines for Medicare Services”**

**§1833(e) Title XVIII of the Social Security Act (No Documentation)**

**§1842(a)(1)(c) of the Social Security Act (Carrier Audits)**

**§1862(a)(1)(A) of Title XVIII of the Social Security Act (Medical Necessity)**

**Schott, Sharon. “How Poor Documentation Does Damage in the Court Room.” Journal of AHIMA 74, no. 4 (April 2003): 20-24.**

**Dougherty, Michelle. “Maintaining a Legally Sound Health Record.” Journal of AHIMA 73, no. 8 (April 2003): 64A-G.**