

WHAT IS HPMP?

The Hospital Payment Monitoring Program (HPMP) is a nationwide effort by the Centers for Medicare & Medicaid Services (CMS), an agency of the Department of Health and Human Services, to protect the Medicare Trust Fund by ensuring that Medicare pays for services that are reasonable and medically necessary.

To ensure that services are reasonable and medically necessary, Primaris will continue to perform full case review on the hospital medical records sampled monthly by the Clinical Data Abstraction Center (CDAC). The data from those reviews, along with other data available from CMS, will be analyzed for patterns of payment error. Primaris may implement hospital or topic specific rapid-cycle quality improvement projects based on the findings.

HPMP PURPOSE & GOAL

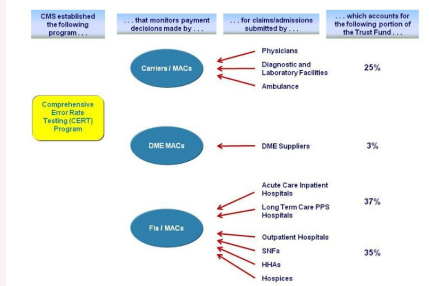
Under CMS contract requirements, Primaris' HPMP project task is to measure, monitor, and reduce the incidence of improper fee-for-service inpatient payments, including errors in: DRG coding; provision of medically necessary services; and appropriateness of setting, billing, and prepayment denials. Reducing such errors will, in turn, protect the Medicare Trust Fund.

Primaris will analyze data received from CMS such as the Program for Evaluating Payment Patterns Electronic Reports (PEPPER), Medicare claims and Missouri payment errors to identify patterns and trends among Missouri hospitals. If problematic areas are identified, Primaris will collaborate with hospitals to identify causes and develop interventions to prevent these payment errors.

The long-term goal of HPMP is to help hospitals prevent payment errors through data analysis, focused audits, and the implementation of system changes that will ensure payment accuracy. Primaris provides data, education and assistance to hospitals to meet this goal.

HPMP

Figure 1: Flow of Claims by Provider and Supplier Types through the Medicare Contractor Claims Processing Entities



ROLE OF HOSPITALS

Primaris recommends that hospitals monitor for payment error patterns through effective compliance programs that address coding, billing and medical necessity issues. An effective compliance program is crucial to reducing incidence of improper payments, especially those that result from medically unnecessary services. Compliance monitoring can be supported by the ongoing review of quarterly PEPPER data from Primaris. This report assists hospitals in identifying trends based on inpatient discharge data that may lead to payment errors. New processes should be implemented, or existing processes revisited, for areas identified as needing improvement..

About Primaris

Primaris is a healthcare consulting firm that works with hospitals, physicians and nursing homes to drive better health outcomes, improved patient experiences and reduced costs.

<http://www.primaris.org>