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October 2024 OIG Work Plan Updates

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The October 2024 updates to the OIG Work Plan highlight key areas of concern and oversight aimed at improving quality and compliance within healthcare services. Let's review a few key updates.

WHEELCHAIR REPAIR

Perhaps it is media stories like **this one** that the OIG is referring to when they explained in their newly added Work Plan item, that "... media sources have raised concerns about the timeliness and quality of wheelchair repair services."

When a wheelchair is not working and requires repairs, it can be detrimental to the individual who relies on, and uses that wheelchair, every day of their life. Legislation and quality standards set by CMS are required to be followed by wheelchair suppliers.

The OIG plans to see if these standards are being met. They plan to examine durable medical equipment suppliers who provide wheelchair repair services and will consider the duration of repairs, suppliers' implementation of selected quality standards, and accreditors' identification of deficiencies related to wheelchair repairs. OIG will review documentation from wheelchair suppliers and accreditation organizations and conduct interviews with CMS, accreditation organizations, and Medicare enrollees.

OVER-THE-COUNTER (OTC) DRUGS

Medicare Part D typically does not cover OTC drugs. The OIG wants to make sure the proper safeguards are in place that ensure payment is not being made for these non-covered OTC drugs.

The potential for OTC payments to slip through the cracks is a result of the process when a prescription drug converts to an OTC. With FDA approval, companies may convert a brand-name prescription-only (Rx-only) drug to an OTC drug. After the FDA approves a brand-name drug's conversion to OTC status, which includes requiring changes to its labeling, the drug is no longer considered an Rx-only drug. Because the labeling of brand-name drugs

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and generic equivalents must be identical, makers of the generic equivalents must make corresponding revisions to their labeling or cease marketing their generic equivalents.

The OIG plans to perform a nationwide audit of Medicare Part D prescription drug event data to identify payments for OTC drugs sold under obsolete Rx-only labeling. They also plan to determine whether CMS oversight of Medicare Part D sponsors ensured compliance with Federal requirements for preventing payments for OTC drugs.

OXYGEN AND OXYGEN EQUIPMENT

Last year, Medicare paid more than $674 million for oxygen and oxygen equipment. When CMS performs reviews through the Comprehensive Error Rate Testing (CERT) program, they have regularly found high rates of improper payment for oxygen and oxygen equipment.

The OIG is planning to determine whether Medicare paid suppliers for oxygen and oxygen equipment according to Medicare requirements. Upon request, a supplier must provide documentation, including records from the treating practitioner, indicating that oxygen and oxygen equipment were reasonable and necessary for an enrollee's condition.

> "*Medicaid* reimbursement for outpatient clinical diagnostic laboratory services should usually not exceed the amount set in the *Medicare* clinical laboratory fee schedule."

MEDICAID LABORATORY SERVICES

Clinical laboratory services are often crucial for diagnosing, preventing, or treating disease or assessing a medical condition. Outpatient laboratory services are among the tests performed in a physician's office, by an independent laboratory, or by a hospital laboratory.

Medicaid reimbursement for outpatient clinical diagnostic laboratory services should usually not exceed the amount set in the *Medicare* clinical laboratory fee schedule. With this work plan item, the OIG wants to discover whether selected States claimed Federal Medicaid reimbursement for outpatient clinical diagnostic laboratory services in accordance with the payment limits set in Federal and State requirements.

CONCLUSION

These new initiatives in the OIG Work Plan represent a proactive approach to addressing emerging and ongoing challenges within healthcare services. If your organization is involved with any of these activities, it's vital that you proactively review these items to ensure compliance.

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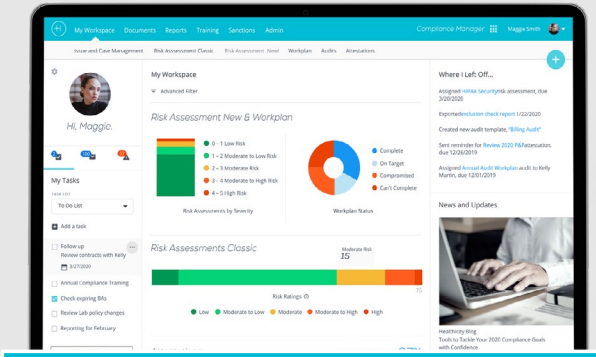

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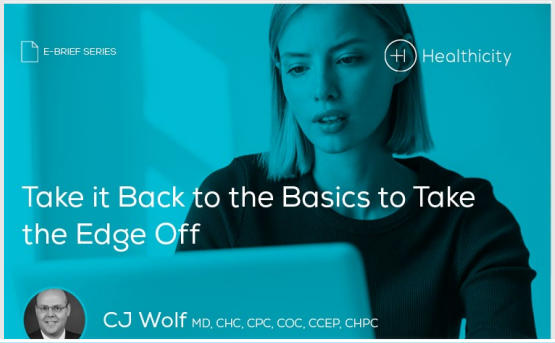

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