

# CASE STUDY

## Small Family Medicine Practice Wins Centers for Medicare and Medicaid Services (CMS) Meaningful Use Audit Appeal



### SITUATION

A small family medicine practice, Family Medical Associates of Augusta, was faced with repaying \$140,000 in Medicare EHR Incentive funds after its providers failed a multi-year Meaningful Use audit; despite the fact they had followed all the right procedures and met the requirements. Moreover, one of its providers had already returned \$34,000.

### CHALLENGE

In the spring of 2013 the Centers for Medicare and Medicaid Services (CMS) auditors notified Family Medical Associates of Augusta (FMAA) that one of its providers had been randomly selected for an audit of his 2012 Medicare EHR Incentive program attestation. To this end, the auditors advised the practice to submit specific supporting documentation relative to the provider's attestation. Shortly after FMAA submitted the documentation, the auditors advised them that the provider had, indeed, "failed" the audit. Unconvinced that the auditors had come to an accurate conclusion, FMAA submitted an audit appeal. Within two months, CMS sent notification to the practice that the audit appeal was denied

*"...the most disheartening thing about the situation was the provider selected for the audit was our MU practice champion..."*

*Practice Manager*

*"...we did everything we were required to do, learned the system, kept all the documentation, and this is how we are rewarded?...Unbelievable!"*

*Provider*

## CMS AUDIT APPEAL – THE LONG ROAD

### CHALLENGE (continued)

and that there was no further recourse available. Shortly thereafter, the practice received a CMS Incentive Repayment Demand letter indicating that the provider had 30 days to repay the Meaningful Use (Stage 1/Year 2) incentive money he had received for attesting as a meaningful user. Although the provider was sure that he had met all of the requirements, he complied with the demand and returned the funds to avoid additional penalties and audit scrutiny. However, to make matters worse, the auditors immediately initiated a subsequent audit of the same provider's attestations for years 2011 and 2013. Again, the practice appealed the audit findings and again, they were denied and the money was returned. "The most disheartening thing about the situation was the provider selected for the audit was the MU practice champion and had exceeded the required threshold percentage for all of the measures," stated the practice manager. "It was a real blow to his faith in the CMS EHR Incentive Program".

As a result of the provider's audit "failures", the auditors proceeded to conduct a multi-year audit of attestations for each of the remaining providers. By now the practice was confronted with the real possibility of having to repay \$140,000 in EHR incentive funds. With the prospect of additional CMS paybacks looming large, FMAA decided to retain legal, accounting and consulting services for professional audit guidance. After assessing the situation, most of the professional consultants, with the exception of Hybrid Health IT, concluded that the practice had no choice but to negotiate with CMS to repay the \$140,000 in incentive funds. Feeling dejected, the physicians at FMAA began contemplating losing the medical practice where they had served their community for 20 years. With nothing left to lose, FMAA management decided to move forward with the audit strategy provided by HYBRiD Health iT (HYBRiD).

### SOLUTION

After reviewing the audit documentation, HYBRiD concluded that the auditors limited understanding of the complexity of Meaningful Use policy resulted in flawed decision-making. HYBRiD leveraged its strong understanding of the nuances of Meaningful Use policy and EHR technology along with its professional relationships within the public and private sector to help FMAA reopen the audit appeals process.

### RESULTS

After the appeals were reconsidered, CMS determined that the audits findings were, indeed, flawed and as a result, the physicians at Family Medical Associates of Augusta were able to avoid the payback and keep all of their incentive funds. Moreover, the initial provider's audit case was reopened for review, which resulted in CMS reimbursing the incentive funds that he had previously repaid to CMS. When the news was shared with the providers, they were all surprised and elated with the results.

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
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August 20, 2015

Dear Dr.:

This is the final determination notice regarding your recent appeal to the Centers for Medicare and Medicaid Services (CMS). We have completed our review of your Medicare Electronic Health Record (EHR) Incentive Program appeal.

Based on our review of your Appeal Filing Request, supporting documentation and the Program policies, we have accepted the documentation you provided to support your appeal. Therefore, CMS upholds your appeal.

### **NEED MORE INFORMATION?**

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