

# Insights

## CMS Site Visit Verification Process Completed by Hired Hand

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A quick peek at CMS' FY 2018 budget (and beyond) indicates that CMS is investing heavily in rules enforcement.<sup>[1]</sup> Encouraged by a Fraud Prevention System return on investment of \$11.50 for every \$1.00 spent<sup>[2]</sup>, CMS sees enhanced enforcement as a critical means of keeping (and returning) financial resources in the Medicare trust account. One component of CMS' enforcement strategy is on-site auditing of enrolled providers, a practice CMS enhances by hiring a contractor to complete the on-site auditing process.<sup>[3]</sup>

Called the National Site Visit Contractor ("NSVC"), the on-site auditor is effective because its audit of Medicare-certified providers is based on information that the provider has already supplied through the CMS-855 provider enrollment process. In effect, the NSVC is merely verifying information the provider's authorized official has already certified to CMS. In this respect, CMS is not prioritizing providers for audit, as each individual Medicare enrollment represents an opportunity for enforcement and potential return of overpayment. Rather, CMS intends to audit all certified providers and mete out penalties as needed.

An NSVC audit of a provider or supplier may reveal any number of compliance concerns:

- Hospital outpatient services inappropriately co-located with freestanding (i.e., non-hospital) providers
- A home health agency closed during reported hours of operation
- Inadequate practitioner supervision of services performed
- Improper billing practices

If NSVC findings are verified, the Medicare Program Integrity Manual grants CMS the authority to either deny, revoke, or bar a provider's enrollment in the Medicare program. A recent proposed rule pushes enforcement measures even further, giving CMS the ability to bar Medicare enrollment violators from re-enrollment in the program.<sup>[4]</sup> This "one-strike-and-you're-out" standard also still allows CMS to seek collection of overpayments resulting from any provider enrollment violations.

Provider enrollment compliance is vital to provider and supplier operations. The information submitted as part of the CMS-855 application process is, in effect, an affidavit of a provider or supplier's business. While accuracy and transparency by the provider are critical at the outset, continued compliance is equally important, as the NSVC will audit operations in real time and check against any information previously supplied to CMS.

Krieg DeVault's Health Care Practice Group has the tools and resources providers need to achieve provider enrollment compliance. Should you have any questions regarding the Medicare provider enrollment process or NSVC auditing, please contact Tom Hutchinson at (317) 238-6254 or [thutchinson@kdlegal.com](mailto:thutchinson@kdlegal.com).

[1] <https://www.hhs.gov/about/budget/fy2018/budget-in-brief/cms/program-integrity/index.html>

[2] <https://www.cms.gov/About-CMS/Components/CPI/Downloads/Fraud-Prevention-System-Return-on-Investment-Fourth-Implementation-Year-2015.pdf>

[3] <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/NationalSiteVisitContractor.html>

[4] 81 Fed. Reg. 10720 (Mar. 1, 2016).