

Understanding Medicare Billing Audits



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Each year MIPS receives notifications from members who have been contacted by Medicare seeking an audit of their billings. These audits are generally the result of sophisticated electronic analysis which has identified possible inaccurate or unusual billing profiles. For the most part, they come about inadvertently because of practitioners' lack of understanding and education about Medicare billing. The issue can usually be resolved by a commitment to further education and possible reimbursement of some amounts claimed. In a small number of cases, billing profiles are indefensible as there is no logical or practical explanation and/or patients' records do not sustain, the items claimed. Those matters can be escalated by Medicare with potentially more punitive outcomes.

Members need to be clear that accurate billing of services under Medicare is generally the legal responsibility of the healthcare practitioner who renders the service that is claimed. If your billing isn't accurate, then Medicare will look to you firstly, but there may be some potential to also implicate the practice. If you don't have any procedures in your practice to assist yourself and colleagues to accurately bill Medicare then you may be at risk of billing incorrectly. Keeping your practice's software current and taking advantage of any automation may assist, but staff must still have up-to-date knowledge of Medicare billing practices to ensure incorrect billing is avoided or identified if it occurs.

Medicare Billing Assurance Toolkit

To assist practitioners in understanding and be better educated about Medicare billing, the Medicare Billing Assurance Toolkit is provided <https://www1.health.gov.au/internet/main/publishing.nsf/Content/mbat-resources>

This will help practitioners adopt, maintain and improve strategies to reduce the risk of inaccurate Medicare billing.

The toolkit includes:

- a Medicare billing assurance checklist
- systems-based Medicare billing assurance suggestions
- templates, sample documents and evaluation questionnaires to support a Medicare billing assurance system
- information on Medicare resources.

Medicare provides instructions including 10 strategies to assist practitioners. A condensed version is below.

1. Have designated staff whose role includes Medicare billing assurance responsibilities
2. Have documented Medicare billing procedures
3. Update and fully use your practice software
4. Have effective administrative record keeping in place
5. Notify the department in a timely manner when incorrect billing under Medicare has occurred
6. Encourage good communication between practitioners and other practice staff
7. Promote knowledge of Medicare billing assurance to all health professionals in your practice
8. Have senior management commit to Medicare billing assurance
9. Identify and remove workplace arrangements that may lead to incorrect billing under Medicare
10. Check that your practice's requesting and referral procedures are compliant

Members should always notify MIPS of any enquiry from Medicare concerning billings so as to obtain advice and assistance on the most appropriate strategy to respond. Subject to receipt of a qualifying notification, MIPS can assist and can, where appropriate also provide legal representation. It is important to note however that the MIPS Members' Indemnity Insurance Policy excludes any liability to repay incorrectly claimed and paid Medicare benefits (as assessed by Medicare) or administrative penalties determined by Medicare.

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