

Success Report



A provider engaged our team following a UPIC post-payment review that resulted in an extrapolated overpayment of **\$688,389.15**. This determination was based on a sample of **90 unique claims (280 claim lines)**. While all 90 claims were identified as having errors, **277 of the 280** individual claim lines were cited as erroneous, resulting in an initial **overpayment-based error rate of 73.27%**.

(Level 1 – Redetermination Result)

ACU-Serve's Audit Team immediately initiated a comprehensive review and developed a detailed challenge for each denied or partially denied claim. We submitted rebuttals on a claim-by-claim basis for each denial or partially denied claims and a formal challenge to the statistical methodology used in calculating the extrapolated overpayment in our level **1 appeal (redetermination)**.

At the conclusion of the Level 1 appeal, the majority of denied claims were overturned. This significantly reduced the **error rate to 1.39%** and lowered the **recalculated overpayment to \$155,513.21**.

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(Level 2 – Reconsideration Result)

We then proceeded to prepare a **Level 2 appeal (Reconsideration)**. Once again, we submitted a timely and well-supported appeal to both preserve the provider's rights and pause recoupment. Our arguments addressed both individual claim determinations and the validity of the statistical extrapolation that had been upheld at Level 1.

Following the Level 2 review, additional claims were reversed, leaving only **9 claims denied**. This reduced the **error rate further to 0.51%** and the **overpayment amount to \$30,170.41**.

(Level 3 – Administrative Law Judge (ALJ) Result)

Given our independent review and the strength of documentation, we determined it was appropriate to proceed to the **Administrative Law Judge (ALJ)** level. Our team prepared a third comprehensive rebuttal and submitted a timely appeal. During the hearing, we presented both written and oral arguments, focusing on the clinical and factual support for each patient's claim.

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The ALJ issued a **partially favorable decision**, agreeing with our position on all but one claim (one line item). As a result, the final **error rate was reduced to 0.11%**, and the **overpayment amount was recalculated to \$416.34**.

While this outcome was highly favorable, our team identified an additional opportunity to further benefit the provider. Based on applicable federal law, the provider was entitled to **penalty interest** on improperly recouped funds. We engaged with the Medicare Administrative Contractor (MAC) to request this payment. Although initially disputed, the MAC ultimately agreed after we provided the relevant legal citations and supporting analysis.

As a result, the provider received an additional **\$20,387.00 in penalty interest**.