



Texas Association for  
Home Care & Hospice  
*Leading ★ Advancing ★ Advocating*

## Winter Conference

Wednesday, February 18, 2026

2:00pm-3:15pm

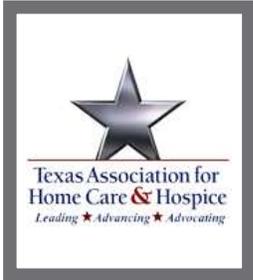
### 3b. Mastering Hospice Medical Review in a High-Risk Enforcement Era

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Thank you to our Partners:





# Mastering Hospice Medical Review in a High-Risk Enforcement Era

Strengthening Documentation, Defensibility, and Compliance Readiness

BC Healthcare Consulting, LLC

TAHCH Winter Conference 2026

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Session Objectives

- Understand current hospice medical review enforcement trends
  - Identify top denial reasons impacting hospice agencies
  - Strengthen documentation and LCD compliance
  - Improve interdisciplinary collaboration for defensibility
  - Develop proactive review readiness strategies

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## Types of Hospice Audits & Medical Reviews

### Targeted Probe & Educate (TPE)

- Conducted by Medicare Administrative Contractors (MACs)
- Focuses on providers with high denial rates or unusual billing patterns
- 3 rounds of 20–40 claims each
- Includes individualized education after each round

### Recovery Audit Contractor (RAC)

- Identifies and recovers improper Medicare payments
- Reviews both overpayments and underpayments
- Often focuses on long lengths of stay and eligibility documentation
- Contingency-fee based program

### Supplemental Medical Review Contractor (SMRC)

- National contractor reviewing specific CMS-identified issues
- Often targets hospice eligibility and documentation compliance
- Large-volume post-payment reviews

### Unified Program Integrity Contractor (UPIC)

- Focuses on fraud, waste, and abuse investigations
- Reviews billing patterns, medical necessity, and potential misconduct
- Can refer cases for civil or criminal action

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## Types of Hospice Audits & Medical Reviews

### CERT (Comprehensive Error Rate Testing)

- Measures Medicare fee-for-service improper payment rates
- Random sample of claims
- Documentation-driven review

### OIG Audits

- Office of Inspector General oversight
- National and regional hospice program integrity audits
- Focus on systemic compliance risks

### MAC Post-Payment Review

- Routine medical necessity reviews
- May focus on specific diagnoses or lengths of stay
- Can be widespread or provider-specific

### PPPEO (Provider Payment Program Evaluation & Oversight)

- **CMS-led oversight function** that coordinates and improves Medicare payment accuracy initiatives
- Drives/aligns review priorities across contractors (e.g., MACs, SMRC, RAC, CERT)
- Not always “the auditor.” but **influences what gets reviewed and why**

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## The High-Risk Enforcement Landscape

- Increased Targeted Probe & Educate (TPE) activity
  - Heightened focus on eligibility and recertification
  - Greater scrutiny of documentation consistency
  - Data-driven review selection (PEPPER, outlier analysis)
  - Expansion of UPIC and SMRC audits

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## Why It's Critical to Know What Type of Audit You're In

### Not All Audits Are the Same

- Different audit types have different goals (education vs. recoupment vs. fraud investigation)
- Documentation expectations and review standards vary
- Timelines, appeal rights, and financial exposure differ significantly

### Your Strategy Must Match the Audit

- **TPE** → Education-focused, opportunity to correct patterns
- **RAC/SMRC** → Financial recoupment emphasis
- **UPIC** → Program integrity & potential fraud implications
- **CERT** → Strict documentation compliance review

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# Why It's Critical to Know What Type of Audit You're In

## Financial Risk Varies

- Claim-by-claim denial vs. extrapolated overpayment
- Possible suspension of payments (UPIC cases)
- Potential civil or criminal referrals in integrity investigations

## Operational Impact Differs

- Volume of records requested
- Required internal audit response
- Leadership and legal involvement level

## Key Takeaway

- You cannot respond effectively if you don't first identify **who is auditing you, why they are auditing you, and what authority they have.**

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# PPPEO – Provider Payment Program Evaluation & Oversight



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## Top Hospice Medical Review Denial Trends

- Insufficient documentation of terminal prognosis
  - Lack of measurable decline or disease progression
  - Copy-forward / cloned documentation
  - Inconsistent documentation across disciplines
  - Missing or vague physician narratives

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## LCD Compliance: What Reviewers Look For

- Objective clinical indicators supporting terminal status
  - Disease-specific decline patterns
  - Functional status documentation (ADLs, PPS changes)
  - Comorbidities contributing to prognosis
  - Clear linkage between condition and 6-month prognosis

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## Documentation Consistency Matters

- Nursing notes align with physician narratives
- Social work and chaplain documentation support decline
- Medication profile reflects disease progression
- IDG notes reflect ongoing eligibility discussions
- Avoid contradictory or overly optimistic language

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## Strengthening Physician Narratives

- Avoid generic or templated statements
  - Clearly articulate disease trajectory
  - Reference objective clinical findings
  - Describe why the patient remains terminally ill
  - Ensure narrative supports recertification period

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### Demonstrating Measurable Decline

- Document weight loss trends with dates
- Capture PPS score changes over time
- Detail increased assistance with ADLs
- Describe hospitalizations or acute events
- Show impact of comorbidities on function

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### Interdisciplinary Collaboration for Defensibility

- Regular IDG eligibility review discussions
  - Shared understanding of LCD criteria
  - Pre-bill documentation audits
  - Clear communication between field staff and billing
  - Proactive physician engagement

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## Pre-Submission Documentation Audit Checklist

- Does documentation clearly support terminal prognosis?
  - Are decline indicators measurable and dated?
  - Is documentation consistent across disciplines?
  - Does physician narrative align with clinical record?
  - Would an external reviewer understand the story of decline?

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## Responding to ADRs Effectively

- Timely and complete record submission
  - Organized documentation presentation
  - Cover letter summarizing eligibility support
  - Highlight key decline indicators
  - Conduct internal post-review analysis

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## Building a Culture of Review Readiness

- Ongoing clinician education on LCD criteria
  - Routine eligibility audits
  - Real-time feedback to staff
  - Leadership monitoring denial trends
  - Embedding compliance into daily practice

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## Balancing Compliance with Patient-Centered Care

- Documentation should reflect authentic patient story
  - Avoid documentation driven solely by fear of audit
  - Focus on quality symptom management and decline patterns
  - Align regulatory requirements with compassionate care
  - Compliance supports sustainability of hospice mission

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## Scenario #2

“Patient with end-stage CHF noted increased dyspnea at rest compared to prior visit. PPS decreased from 50% to 40% over past 30 days. Requires assistance with all ADLs; previously independent with toileting. Weight down 8 lbs in 6 weeks. 2+ bilateral edema despite medication adjustment. Increased fatigue; sleeping 18+ hours daily. Daughter reports reduced oral intake to 25–50% of meals.”

**Question:**

**Does this note support terminality?**

**SUPPORTED**

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## Scenario #3

“Patient with metastatic lung cancer to bone and liver. Reports severe fatigue and weakness. States pain is 7/10 at times but controlled with current regimen. Appetite poor. Appears frail and chronically ill. Emotional support provided. Family remains supportive. Continues hospice services.”

**Question:**

**Does this note support terminality?**

**NOT SUPPORTED**

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### Scenario #4

“Patient with metastatic lung cancer to bone and liver. Reports severe fatigue and weakness. States pain is 7/10 at times but controlled with current regimen. Appetite poor. Appears frail and chronically ill. Emotional support provided. Family remains supportive. Continues hospice services.”

**Question:**

**Does this note support terminality?**

**NOT SUPPORTED**

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### Scenario #5 Dementia

“Patient with advanced Alzheimer’s disease. Non-verbal. Dependent for all ADLs. Incontinent of bowel and bladder. Requires total care. Family reports gradual decline over past year. Appetite fair. No recent infections. No weight changes noted. Sleeps well.”

**Question:**

**Does this note support terminality?**

**NOT SUPPORTED**

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## Scenario #6

“Patient admitted to hospice 22 months ago with COPD. Continues to require oxygen at 2L. Dyspnea with exertion. Uses walker for mobility. No hospitalizations in past 6 months. Appetite good. Weight stable. No acute changes since last recertification. Continues hospice services.” **Question:**

**Does this note support terminality?**

**NOT SUPPORTED**

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## Trail-Tested Strategies to Reduce Denials



- Standardized eligibility review tools
  - Recertification documentation templates (customized, not cloned)
  - Quarterly denial trend analysis
  - Physician education sessions
  - Mock medical review drills
  - Ai Solutions to drive compliant documentation

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## Key Takeaways

- Medical reviews are increasing in intensity and frequency
  - Eligibility documentation must be objective and consistent
  - Interdisciplinary collaboration strengthens defensibility
  - Proactive audits reduce financial risk
  - Compliance and patient-centered care can coexist

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## Contact Information



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