



**amputee
coalition**TM

Guidance on Documentation Requirements for Medicare Recovery Audits



Instructions for Ordering Physicians

Medicare requires that ordering physicians chart notes in the patient's medical records to reflect the need for care. The patient's medical record should contain adequate documentation of the patient's medical condition to substantiate the need for the type and quantity of the prescribed items and the frequency of use and/or replacement. This documentation should include the patient's diagnosis, duration of the patient's condition, clinical course (whether worsening or improving), prognosis, nature and extent of functional limitations, therapeutic interventions and their results, past experience with related items, etc. It is recommended that this information be provided to prosthetists **prior** to dispensing the prosthetic device, to facilitate the recovery and reimbursement auditing process. It is important that the amputation side be clearly and consistently identified in the patient's medical record. This is especially important for patients with multiple amputations.

Definition of Patient Medical Record

As defined by the Centers for Medicaid and Medicare Services (CMS):

"The patient's medical record is not limited to the physician's office records. It may include hospital, nursing home, or HHA records and records from other healthcare professionals."¹

Amputation History

The patient's medical record should include:

- Documentation of patient's medical history associated with the amputation, including:
 - Initial diagnosis leading to the amputation procedure
 - Date amputation procedure was performed
 - Part of the body amputated
 - Clear description of patient's clinical course
 - Clear description of therapeutic interventions and their results
 - Prognosis – expected outcomes given patient's history.
- Description of patient's functional limitations and capabilities experienced on a typical day:
 - Description of patient's ability to perform activities of daily living (ADLs) and how they are impacted by deficit.
 - Diagnosis for deficiency in functional status; these should include ICD-9 codes.
 - Comorbidities, either related to functional deficiencies or which could potentially impact use of a new prosthesis; ICD-9 codes for comorbidities should be included.
 - Indication of other devices used for ambulation (e.g., cane, walker, wheelchair), either prior to amputation or in addition to the prosthesis.
 - Description of patient's functional capabilities **prior** to amputation.

¹ See CMS Manual System Pub. 100-08, *Medicare Program Integrity Manual*, Chapter 5, §5.7

- Description of patient's **current** functional capabilities; functional capabilities should correspond to K-level definitions.
- Description of patient's **expected** functional capabilities.
- Explanation for the difference in patient's functional capabilities prior to amputation and current or expected capabilities.

NOTE: *If prosthetist evaluates patient's functional capability, this must also be documented in the patient's medical record. This evaluation should be dated and the physician should restate patient's functional capability in a separate chart note and indicate agreement/disagreement with prosthetist's assessment and the rationale for this decision.*

- Clearly indicated status of current prosthesis/component(s) and reason for replacement (if relevant).
- Patient's past experience with related items (previous prostheses/component(s) use).
- Assessment and documentation of patient's desire to ambulate.
- Clearly indicated recommendation for new prostheses/component(s).

Patient's medical record should include a recent physical examination that focuses on body systems that are responsible for patient's ambulatory capabilities or which impact their functional ability. This exam should include, but not be limited to:

- Weight and height (noting any weight loss or weight gain)
- Cardiopulmonary examination
- Musculoskeletal examination
- Arm and leg strength and range of motion
- Neurological examination
- Gait assessment
- Balance and coordination.

Note : *K-levels are defined by Medicare based on an individual's ability or potential to ambulate and navigate their environment. Medicare uses a person's K-level to determine coverage for prosthetic devices as follows:*

K-Level	Description	Foot/Ankle Components	Knee Components
K0	Patient does not have the ability or potential to ambulate or transfer safely without assistance, and a prosthesis does not enhance their quality of life or mobility.	Not eligible	Not eligible
K1	Patient has ability or potential to use a prosthesis for transfers or ambulation on level surfaces at fixed cadence – a typical limited or unlimited household ambulator.	External keel, SACH feet or single-axis ankle/feet	Single-axis, constant-friction knee
K2	Patient has the ability or potential for ambulation with the ability to traverse low-level environmental barriers, such as curbs, stairs or uneven surfaces – a typical community ambulator.	Flexible-keel feet and multi-axial ankle/feet	Single-axis, constant-friction knee
K3	Patient has the ability or potential for ambulation with variable cadence – a typical community ambulator with the ability to traverse most environmental barriers and may have vocational, therapeutic or exercise activity that demands prosthetic use beyond simple locomotion.	Flex-foot and flex-walk systems, energy-storing feet, multi-axial ankle/feet or dynamic response feet	Fluid and pneumatic control knees
K4	Patient has the ability or potential for prosthetic ambulation that exceeds basic ambulation skills, exhibiting high impact, stress or energy levels – typical of the prosthetic demands of a child, active adult or athlete.	Any ankle/foot system	Any knee system

Detailed Written Order

Detailed written orders are required for all transactions involving DMEPOS. All orders should clearly specify the start date of the order. It must be sufficiently detailed, including all options or additional features that will be separately billed. This description can be in the form of a narrative or a list of brand names and model numbers.

Someone other than the physician may complete the detailed description of the item. However, the detailed written order must be signed and dated by the treating physician to indicate agreement.

Dispensing Prescription

The dispensing prescription must include:

- A description of the item prescribed
- The patient's name
- The name of the prescribing physician
- The start date of the order.

Prosthetists should maintain the preliminary written order, or written documentation of the verbal order; this documentation must be available upon request from CMS or any agents representing CMS.

Items may be dispensed based on verbal orders. However, verbal orders must contain the printed name of the person taking the order, along with their signature and the time and date of the order.

A written order must still be obtained by a prosthetist prior to submitting a claim.

Instructions for Prosthetists

As specified by CMS, prosthetists should have the following documentation before submitting a claim:

“... a dispensing order, the detailed written order, the CMN (if applicable), the DIF (if applicable), information from the treating physician concerning the patient's diagnosis, and any information required for the use of specific modifiers or attestation statements as defined in certain DME MAC policies. The supplier should also obtain as much documentation for the patient's medical record as they determine they need to assure themselves that coverage criteria for an item has been met. If the information in the patient's medical record does not adequately support the medical necessity for the item, the supplier [prosthetist] is liable for the dollar amount involved unless a properly executed Advanced Beneficiary Notice (ABN) of possible denial has been obtained.”²

Documentation must be maintained in the prosthetist's files for seven (7) years. Prosthetists must maintain proof of delivery documentation in their files.

In addition, the prosthetist should have the following in their patient records:

- Assessment of patient's functional ability as defined by K-level definitions, including functional capabilities prior to amputation, as well as their current and expected functional abilities; any differences between the patient's functional abilities should be explained
- Documentation of current prosthesis/component(s), including:
 - History of prosthesis/component being replaced (if applicable)
 - Description of labor involved in replacing prosthesis/component
 - Reason for replacing prosthesis/component.

² See CMS Manual System Pub. 100-08, *Medicare Program Integrity Manual*, Chapter 5, §5.8

- Documentation by the prosthetist of the patient's desire to ambulate
- Recommendation for new prosthesis/component(s) based on written order from the treating physician, or documentation of verbal order; this should include brand name and model number of prosthesis/component(s)
- Documentation of each visit with patient with a chart note; each chart note should have the prosthetist's printed name, credential, signature and date.

Proof of Delivery³

Requirements to appropriately document proof of delivery vary according to method of delivery. CMS recognizes the following methods of delivery:

1. Supplier delivering directly to beneficiary or authorized representative
2. Supplier utilizing a delivery /shipping service to deliver items
3. Delivery of items to a nursing facility on behalf of the beneficiary.

Supplier Delivers Directly to Beneficiary

A signed delivery slip is adequate proof of delivery if the supplier delivers the item directly to the beneficiary. The delivery slip should include the following:

- Patient's name
- Quantity of item delivered
- Detailed description of item delivered
- Brand name of item delivered
- Serial number of item delivered.

The date on the delivery slip **MUST** be the date that the item was received by the beneficiary.

Supplier Utilizes Delivery Service to Deliver Items

If a shipping service is used to deliver items to the beneficiary, the following are some examples of adequate proof of delivery:

- Service's tracking slip
- Suppliers shipping invoice.

Supplier Delivers Items to a Nursing Facility

Copies of necessary documentation should be obtained from the nursing facility to document proof of delivery and usage by beneficiary.

³ See CMS Manual System Pub. 100-08, *Medicare Program Integrity Manual*, Chapter 4, §4.26.1 for more information about proof of delivery and delivery methods.