



## **Network Notification**

**Notice Date:** January 29, 2019  
**To:** Indiana Health Partners  
**From:** CareSource®  
**Subject:** Diagnosis Related Group (DRG) Validation Audits

---

Thank you for collaborating with CareSource to care for your patients and our members. CareSource strives to offer the best and most efficient care possible for our members. CareSource has contracted with Health Management Systems, Inc. (HMS), for payment integrity services, which involves the periodic review of paid claims and related documentation to validate coding, payment accuracy, regulatory compliance, and adherence to CareSource payment policies, utilization standards and provider contract requirements. The purpose of this communication is to give you advance notice regarding potential requests for medical records from CareSource and HMS.

CareSource and HMS is beginning a new audit to validate DRG information. The audits will review targeted DRG claims to verify that all diagnoses and procedure codes were billed appropriately in accordance with official coding guidelines and are consistent with the documentation in the medical record resulting in accurate DRG assignment and reimbursement. This review will validate all data elements that affect the DRG assignment, including accurate billing of present on admission indicators. This review also involves clinical validation to verify that not only were the diagnoses coded in accordance with applicable coding guidelines, but the diagnoses were also consistent with the clinical documentation in the medical record, and relevant diagnostic results.

You may receive similar types of request currently, however beginning in January 2019, you may receive new or different letters from CareSource and HMS requesting medical records for the DRG audit. Each letter will outline the medical record information needed, the timeframe to submit the medical records, the options available to submit the documentation and contact information for any questions.

Once the documentation is received and the review is completed, you will receive a determination letter. If an overpayment is identified the letter will outline next steps. Including information regarding your appeal rights.

The HMS Provider Relations team is available Monday through Friday between 9 a.m. to 7 p.m. Eastern Standard Time at 1-866-875-1749 for you during any step of the process.