



# CMS Offers Settlement for Hospital Appeals

September 3, 2014

In an effort to reduce the significant backlog in appeals pending before the Office of Medicare Hearings and Appeals (“OMHA”), the Center for Medicare & Medicaid (“CMS”) issued an administrative settlement agreement to hospitals with pending claims. This settlement offer is limited to:

- Acute Care and Critical Access Hospitals
- With appeals pending before OMHA or within the administrative timeframe to request an appeal to OMHA
- Related to a denial based on inappropriate patient status (billed as inpatient but was reasonable and necessary as an outpatient)
- For claims with an admission date before October 1, 2013.

If the hospital is willing to withdraw the pending appeal before OMHA, CMS will reimburse the hospital 68% of the net payable amount of the denied inpatient claim. Hospitals interested in accepting the offer must submit an Administrative Agreement and Eligible Claim Spreadsheet to CMS by October 31, 2014. CMS will be holding a teleconference regarding this process on September 9, 2014 at 1pm EST.

If you have questions, please contact your Lathrop Gage attorney or the attorney listed above.