



Electroencephalogram (EEG) Services in Texas Medicaid

Memorial Hermann Health System

Results in Brief

Summary of Review

The audit objective was to determine whether claims submitted by Memorial Hermann Health System (Memorial Hermann) for ambulatory electroencephalogram (EEG) tests were in compliance with selected Texas Medicaid Provider Procedures Manual (TMPPM) regulations.

The audit scope covered the period from September 1, 2019, through August 31, 2021.

Background

Ambulatory EEG providers must submit claims for ambulatory EEGs with specific procedure codes and diagnosis codes to be reimbursable under Texas Medicaid. Procedure codes identify services provided, while diagnosis codes help identify the reason the service was provided.

Medical providers submit claims to managed care organizations (MCOs), which reimburse the claims. MCOs submit encounter data to the Texas Health and Human Services Commission (HHSC) to coordinate and manage Medicaid services.

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Conclusion

For 30 encounters tested, Memorial Hermann Health System (Memorial Hermann) did not always comply with selected Texas Medicaid Provider Procedures Manual (TMPPM) regulations when submitting claims for ambulatory electroencephalogram (EEG) services provided to Medicaid members.

Memorial Hermann did not include an allowable diagnosis code on the Medicaid claim for 15 of 30 (50 percent) ambulatory EEG encounters tested, as required. However, Memorial Hermann did have supporting documentation that it (a) performed ambulatory EEG tests represented by tested encounter data and (b) submitted the claims with allowable procedure codes.

Recommendation

Memorial Hermann should develop a process to validate claims submitted for payment comply with the TMPPM and include allowable diagnosis codes.

Management Response

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) presented preliminary audit results, issues, and recommendations to Memorial Hermann in a draft report dated February 13, 2024. Memorial Hermann agreed with the audit recommendations and indicated corrective actions would be implemented by July 2024. Management responses from Memorial Hermann are included in the report following each recommendation.

Why OIG Conducted This Audit

OIG Audit initiated this audit in response to an analysis identifying Texas Medicaid members whose ambulatory EEG encounter data did not include allowable diagnosis codes. The analysis was based solely on encounter data and did not indicate wrongdoing. Ambulatory EEG claims submitted without an allowable diagnosis should be denied by an MCO and additional information requested.