

Hospital-Based Home Care: Is There Trouble in Your OASIS?

Cathy Niland and Joan Taylor

2007 HCCA Compliance Institute

April 24, 2007

Objectives

- Understand home care conditions of participation and compliance implications
- Briefly discuss the Medicare Home Care PPS
- Identify top compliance risks for hospital-based home care
- Develop strategies to address compliance risk areas



Home Care Conditions of Participation

- Patient must require skilled care (RN, PT, SLP)
- Services must be provided on an intermittent basis
 - May be daily for a short duration or less frequently over a longer period of time
 - Cannot be for one-time only visits, with few exceptions
- Plan of Care must be completed and signed by the physician prior to billing final claim
- Services must be reasonable and necessary
- Services must be provided in a place of residence used as the patient's home (may be home, SNF, senior apartment, assisted living facility, etc.)
- Patient must be homebound
- Episode of care is 60 days; may have unlimited number of episodes as long as above criteria met

3

Copyright © 2006 Trinity Health – Novi, Michigan

Homebound Status

- Must be determined prior to start of care
- Patient must be confined to the home
 - A normal inability to leave home;
 - Leaving home would require a considerable and taxing effort;
 - Leaving home requires the assistance of another person.
- Confinement due to medical, psychiatric, or physical condition
- May leave home infrequently for medical appointments or non-medical reasons for short duration (i.e. attend church)
- Attendance at Adult Day Care does not disqualify homebound status (PM A-01-21 2/6/01)



4

Copyright © 2006 Trinity Health – Novi, Michigan

Plan of Care

- Plan of Care (form 485) must be completed prior to provision of care
 - Must indicate type, duration and frequency of all services and treatment orders
 - May be verbal order initially
- With subsequent episodes of care, new or updated Plan of Care required, along with new orders
- Verbal orders received during episode of care modify the plan of care
- Physician **MUST** sign the Plan of Care and all verbal orders prior to billing final claim for the episode



5

Copyright © 2006 Trinity Health – Novi, Michigan

Home Care PPS

- Implemented October 2000
- Affects Part A payment only
- Established Consolidated Billing for all disciplines, non-routine supplies, outpatient therapies, and some wound care treatments
- Requires OASIS (Outcomes and Assessment Information Set) completion by home health clinicians (RN, PT, OT, SLP)



6

Copyright © 2006 Trinity Health – Novi, Michigan

OASIS Assessment

- Required at start of episode, resumption of care, significant change in condition, and end of episode
 - Specific time frames required for each assessment
- 93 items make up current version
- 24 items determine Home Health Resource Group (HHRG) Medicare payment
 - Assessment items grouped by Clinical (C), Functional (F), and Service (S) Domains



NOTE: Home care Medicare payment driven by clinician documentation NOT physician documentation as in the hospital.

7

Copyright © 2006 Trinity Health – Novi, Michigan

OASIS Reimbursement Items

- Clinical Domain
 - MO230/245 Primary Diagnosis, MO240(b) Secondary Dx (first)
 - Orthopedic, neurological, diabetes, trauma codes
 - Wounds
 - MO450/460 pressure ulcers
 - MO476 stasis ulcers
 - MO488 wounds
- Functional Domain
 - MO650, MO660, MO670, MO680, MO690, MO700
 - Dressing, Bathing, Toileting, Transfers, and Locomotion
- Service
 - MO175 Inpatient discharges in the past 14 days (Inpatient rehabilitation, skilled nursing facility)
 - MO825 10 or more therapy visits (8 hours)

8

Copyright © 2006 Trinity Health – Novi, Michigan

PPS Reimbursement

- HHRG translated to HIPPS code for billing purposes
- Reimbursement split into Request for Anticipated Payment (RAP) and final claim
 - Initial RAP payment 60% of reimbursement
 - RAP payment 50% with subsequent episodes
 - RAP not considered claim except for purposes of False Claims Act
- RAP establishes in the Common Working File which agency is providing service for an episode



9

Copyright © 2006 Trinity Health – Novi, Michigan

Special Payment Circumstances

- LUPA (Low Utilization Payment Adjustment)
 - Less than 5 visits occur during the episode
- PEP (Partial Episode Payment)
 - If a patient transfers to another agency or is discharged and readmitted during the same episode
- SCIC (Significant Change in Condition)
 - there is an unexpected major decline or improvement in the patient's condition,
 - the payment is affected, and
 - the treatment plan changes
 - Optional; requires case by case evaluation
- Outliers
 - Loss-sharing ratio
 - 5% of national total episode payment



10

Copyright © 2006 Trinity Health – Novi, Michigan

OIG 2007 Work Plan

- Home Health Outlier Payments
- Enhanced Payments for Home Health Therapy
- Home Health Rehabilitation Therapy Services
- Accurately Coding Claims for Medicare Home Health resource Groups
- Cyclical Noncompliance in Medicare Home Health Agencies (not at agency level - evaluating state surveys)
- Accuracy of Data on Home Health Compare Web Site (not at agency level)



11

Copyright © 2006 Trinity Health – Novi, Michigan

Compliance Risk Areas

- OASIS accuracy
 - Coding
 - Wounds
 - Inpatient discharges prior to home care
- Therapy Provision
 - MO825
 - Answer can affect reimbursement up to \$2000
 - Medical necessity
 - Duration of visits
- Physician Orders
 - 485 sent to physician prior to RAP submission
 - All verbal orders signed prior to final claim submission
 - Compliance with Plan of Care
- Homebound status



12

Copyright © 2006 Trinity Health – Novi, Michigan

Compliance Risk Areas

- Billing
 - Requires close communication between clinicians and billing staff
 - OASIS, Plan of Care and Claim congruency
 - ADRs
 - SCIC payment adjustment (optional)
 - Source of Admission code accuracy
 - Data Mining (MO175)



13

Copyright © 2006 Trinity Health – Novi, Michigan

Hospital-based Home Health Compliance Risks

- Supervision of Governing Board
 - 484.14 (b) “...adopts and periodically reviews written bylaws or an acceptable equivalent, and oversees the management and fiscal affairs of the agency.”
- JCAHO
 - Infection control
 - Patient and employee safety
 - Medication Reconciliation



14

Copyright © 2006 Trinity Health – Novi, Michigan

Hospital-based Home Health Compliance Risks

- HIPAA
 - Patient access
 - Complaint investigations
 - Security
 - Disclosure tracking
 - Information security



15

Copyright © 2006 Trinity Health – Novi, Michigan

Hospital-based Home Health Compliance Risks (Pros and Cons)

- Therapy Provision Structure
 - Centralized hospital therapy department pool advantages:
 - Access to larger pool of therapists
 - Supervision by therapy clinician
 - Continuing education opportunities
 - Home health therapy employees advantages:
 - Improved care coordination
 - Better case management
 - Fewer “fall backs” resulting in lost revenue
 - Home health level of care



16

Copyright © 2006 Trinity Health – Novi, Michigan

Compliance Strategies

- Auditing and Monitoring
 - OASIS accuracy
 - Coding
 - Documentation supports primary diagnosis
 - MO175
 - Matches referral information
 - <http://www.cms.hhs.gov/MLN MattersArticles/downloads/SE0410.pdf>
 - Functional status (inconsistencies)
 - System in place to hold final claim until signed POC and verbal orders on chart.

17

Copyright © 2006 Trinity Health – Novi, Michigan

Compliance Strategies

- Therapy
 - Monitor number of fall backs
 - When MO825 number of expected therapy visits predicted to be 10 or greater at start of care but less than 10 visits made and payment adjusted on final claim
 - Scrutinize number of therapy visits
 - Track therapy visit duration times



18

Copyright © 2006 Trinity Health – Novi, Michigan

Compliance Strategies

- Education
 - Coding accuracy
 - Wound assessment
 - OASIS completion
 - Certification available
 - Item response nuances
 - Encourage agency participation in state home health groups



19

Copyright © 2006 Trinity Health – Novi, Michigan

Compliance Strategies

- Processes
 - Develop a process that requires frequent, open communication between the billing and clinical quality departments
 - Conduct routine billing audits
 - Incorporate billing audit data and analysis into the existing quality improvement program and annual program evaluation
 - Commission a work group including billing and clinical quality representatives to address any billing error trends identified
 - Evaluate Board participation in agency oversight
 - Minimal requirement to review annual program evaluation

20

Copyright © 2006 Trinity Health – Novi, Michigan

Upcoming Challenges

- Pay for Performance
 - Demonstration Project solicitation and recruitment of agencies begins Spring-Summer 2007.
 - Based on outcomes (many of which on Home Health Compare)
- Recovery Audit Contractors (RAC)
 - Home Health and Hospice were exempt in demonstration projects
 - Tax Relief and Health Care Act of 2006 applies to all Medicare claims.
 - RACs in all states by 2010



21

Copyright © 2006 Trinity Health – Novi, Michigan

References

- CMS website:
www.cms.hhs.gov/HomeHealthPPS/
- Medicare Benefit Policy Manual, Publication 100-02,
Chapter 7, Home Health Services
www.cms.hhs.gov/manuals/Downloads/bp102c07.pdf
- Medicare Claims Processing Manual, Publication 100-04,
Chapter 10, Home Health Agency Billing
www.cms.hhs.gov/manuals/downloads/clm104c10.pdf



22

Copyright © 2006 Trinity Health – Novi, Michigan

Resources

- Catherine Niland, RN, BS, CHC, CHCQM
Organizational Integrity Manager, Trinity Health
248.324.8356
Nilandc@trinity-health.org

- Joan Taylor, RN, BSN, CHC, CPC
Clinical Regulatory Specialist, Trinity Home Health Services
248.305.7670
Taylorjm@trinity-health.org

