Hospital-Based Home Care: Is There Trouble in Your OASIS?
Cathy Niland and Joan Taylor
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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

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)
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

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)
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.

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)
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

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
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)

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
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)

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
Hospital-based Home Health Compliance Risks

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

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
Compliance Strategies

• Auditing and Monitoring
  – OASIS accuracy
    • Coding
      – Documentation supports primary diagnosis
    • MO175
      – Matches referral information
  • Functional status (inconsistencies)
  • System in place to hold final claim until signed POC and verbal orders on chart.

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
Compliance Strategies

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

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
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

References

• CMS website:
  www.cms.hhs.gov/HomeHealthPPS/

• Medicare Benefit Policy Manual, Publication 100-02, Chapter 7, Home Health Services

• Medicare Claims Processing Manual, Publication 100-04, Chapter 10, Home Health Agency Billing
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