Alphabet Soup
BAA, PSAE, MIC, RAC, ZPIC

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Session Objectives

• Learn about recent changes to Business Associate Requirements and impact to your organization
• Discuss recent state legislation related to preventable serious adverse events and possible risks
• Review proactive measures to respond to RAC, MIC, and ZPIC audits
What do the acronyms mean?

BAA – Business Associate Agreement
PSAE – Preventable Serious Adverse Event
RAC – Recovery Audit Contractor
MIC – Medicaid Integrity Contractor
ZPIC/PSC – Zone Program Integrity Contractor/Program Safeguard Contractor

BAA – Business Associate Agreements

• Who are your Business Associates
  – Transcriptionists, Medical Record Consultants, etc.
• ARRA – What is it and why do we need to be aware of the changes from this legislation?
• What might BA do that could cause trouble – a.k.a. a “breach”
• What type of information does a breach include and in what form?
**PSAE – Preventable Serious Adverse Events**

- Types of PSAEs
  - Surgical Events
  - Product or Device Event
  - Patient Protection Event
  - Care Management Event
  - Environmental Event
  - Criminal Event

**Preventable Serious Adverse Events**

- Reportable?
  - 25 States have adopted regulations for reporting PSAEs
  - National Quality Form (NQF) list – most use
  - Results in reduced payment from CMS
  - Capture data about these events
  - Increase patient safety practices
**RAC Jurisdictions**

- **Region A** – Diversified Collection Services, Inc.
- **Region B** – CGI Technologies and Solutions, Inc.
- **Region C** – Connolly Consulting Associates, Inc.
- **Region D** – HealthDataInsights, Inc.
Types of Audits

- MIC
- RAC
- Medi-Medi
- ZPIC/PSC

CMS Approved Audit Issues

- DRG Validation
  - Wound and skin procedures
- Barium Swallow Study units
- HCPCS/CPT Code issue
- Diagnosis/Procedure issue
- Wheelchair bundling
- Urological bundling
- Clinical Social Worker services
- Hospice related services (Medicare B)
**RAC Findings**

- Incorrect CPT coding
- Newborn Pediatric CPT codes for patients exceeding age limit
- Once in a lifetime procedures
- Excessive units – untimed codes
- Excessive units – Blood transfusions, Bronchoscopy, IV Hydration

**Provider Preparation**

- Know the improper payment issues that have been found
  - Monitor the Region RAC websites for new issues
  - Conduct self-audits to identify potential problems
- Prepare to respond to RAC medical record requests – 45 day window
  - Establish internal interdisciplinary team (clinical, financial, IT, rehabilitation, compliance)
  - Identity point of contact for communication (internal and external)
  - Develop central tracking mechanism/database
  - Keep/submit proper documentation – ensure documentation meets the needs of the request
- Appeal when necessary – know the timelines for appeal AND timelines for recoupment
MIC Key Areas of Focus

- Automated Reviews
  - Data analysis “data mining” – Medicare/Medicaid database
    - Accuracy of patient responsibility/share of cost
    - Deceased patients
    - Duplicate Payment/Billing issues
    - Bed Hold limitations

- Complex Reviews
  - Medical record audits

What can you do?

- Clinical Documentation
- Clinical Assessment Accuracy
- Data Integrity
- Inter-Provider Communication
- MDS Accuracy
- Claim Accuracy
Tools You Can Use

- Documentation Audits
- MDS Accuracy “checks”
- Open the lines of communication between involved providers regarding dates of service and patient admission status

What does an audit involve?

- Record request – at least 2 week notice
  - RAC – 45 day deadline
  - MIC – 10 day to 45 day deadline (no set limit)
- Entrance conference – onsite or offsite
- Audit of records
- Review of preliminary findings and tentative conclusions
- Opportunity for provider comment and submission of additional documentation information
What does an audit involve? (con’t)

- Draft report to CMS and State for review and comments
- Draft report finalized
- CMS issues final report to State
  - State has 60 days to repay federal government for its share
- State issues final report to provider and begins overpayment recovery process
- Provider rights of appeal are those available under State law

Resources

- Centers for Medicare and Medicaid Services (CMS) – www.cms.hhs.gov
- Business Associate Information – www.hhs.gov/ocr/privacy/hipaa/understanding/coveredentities/businessassociates.html
- Recovery Audit Contractors - www.cms.hhs.gov/RAC
Questions

Thank you!