

Post Acute – A Viable Target for External Contractors

What Your Organization can do to Avoid the
Risks

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Post Acute – A Definition

- ▶ Any level of care that occurs “after” an acute care stay
 - LTAC (Long Term Acute Care Hospital)
 - Inpatient Rehabilitation
 - Skilled Nursing Facilities/Nursing Homes
 - Home Health
 - Outpatient Therapies
 - Hospice

Post Acute – Why Unique from a CMS Perspective

- ▶ Governed by different Regulations, Conditions of Participation, etc.
- ▶ Fine lines of differentiation regarding the medical necessity of being treated in several levels of care, in CMS' eyes
- ▶ May be a small piece of a larger healthcare system's "pie"
- ▶ Most often not included on the Compliance Plan of a larger healthcare system
 - Remember.....currently, many of these levels of care do not require a Compliance Plan

Is there a way for your Organization to Avoid the Risks?

At Risk Issues

- ▶ RAC Demonstration Project 2005 – 2008

<i>Overpayments by Provider Type (1)</i>	<i>Impact (in millions)</i>
Inpatient Rehabilitation Facility	\$59.7
Outpatient Hospital	\$44.0
Physician	\$19.9
Skilled Nursing Facility ++	\$16.3
Ambulance/Lab/Other	\$5.4
Durable Medical Equipment	\$6.3

At Risk Issues

- ▶ Medical Necessity – complex review
- ▶ Basic billing issues – automated review
 - Untimed units
 - Duplicative billing
 - Use of modifiers
- ▶ Specifics of regulations – automated, semi-complex and complex review
 - SNF – 3 day qualifying stay
 - Inpatient Rehabilitation – Coverage Guidelines
 - Word on the street – ZPICs not looking at coverage guidelines specifics
 - OIG – looking at specifics

General observations

- ▶ All external contractors have post acute on the radar screen
 - RACs are doing limited review of post acute reviews
 - Connolly has the greatest number of post acute issues approved for review
 - MACs are doing the greatest volume of post acute reviews
 - ZPICs looking at isolated high volume of records by provider
 - OIG is also reviewing....and extrapolating
- ▶ Automated vs. complex review issues

Identified approved RAC issues

- ▶ DME (all inpatient, hospice) CGI, Connolly and HDI (hospice)
- ▶ Failure to correctly bill codes on the medically unlikely list – CGI, Connolly
- ▶ Post Acute transfers (underpayment) – Connolly – automated
- ▶ Incorrect patient status (discharge from acute to a post acute level of care) – HDI
- ▶ Medical necessity – LTACH – HDI

Identified approved RAC issues

- ▶ Inpatient Rehabilitation
 - Late submissions of PAI – semi-automated – CGI, Connolly, HDI
 - Medical necessity – inpatient rehabilitation – complex – Connolly, HDI
 - Incorrect Patient Status (Discharge) – inpatient rehabilitation – HDI

Identified Approved RAC Issues

- ▶ Skilled Nursing Facilities/Nursing Homes
 - RAP claim without corresponding home health claim – Connolly
 - SNF Consolidated Billing – CGI, HDI
 - Visits to patients in nursing facilities (physicians) – Connolly, HDI
 - Payments for DME in SNF under Part A – Connolly
 - Ambulance – SNF to SNF transfer – Connolly
 - SNF Consolidated billing for therapies during a Part B SNF stay – HDI
 - Medical necessity – SNF – HDI

Identified Approved RAC Issues

- ▶ Outpatient therapy (all automated)
 - Untimed units – CGI
 - Excisional debridement – CGI
 - National CCI edits – Part B – Connolly, HDI
 - Part B therapies during an outpatient hospital stay/inpatient hospital stay

Identified Approved RAC Issues –

▶ Hospice

- Ambulance transport during a SNF stay (to a diagnostic or therapeutic site) – Connolly, HDI
- Hospice related services – Connolly, HDI
- Hospice related services – Part B (physicians) – Connolly

▶ Home Health

- Incorrect billing of Home Health Partial Episode Payment claims – Connolly

Question Not Answered

What happens if an inpatient stay is denied and the patient is subsequently admitted to a post acute setting?

Avoiding the Risks

- ▶ Implement internal auditing to catch ‘mechanical issues’
- ▶ Include post acute reviews on your annual compliance work plan (internal/external reviews)
 - Proactively make changes
 - Self report/disclose
 - Re-bill
- ▶ Implement clinical reviews (internal/external)
 - Complete
 - Justify the stay
 - Be able to carry you through to ALJ level of appeal

What Happens to Post Acute under Health Care Reform?

Additional Questions?



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