



Government Focus in Home Health

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Current Regulatory Focus in Home Health

- Senate Finance Committee
 - Last year, the Senate Finance Committee (SFC) reached out to for-profit home health care agencies, questioning the relationship between the number of home health therapy visits they provided and the Medicare reimbursement rate for those visits
 - In September of 2011, the SFC prepared a 600+ page report on home health and the Medicare therapy threshold
 - The report focused on the largest home health providers in the country and provided snippets of information from those companies that described how therapy payments were trending.
- Office of Inspector General
 - CIA are on the rise for home health
 - Recent settlements within the home health industry

Current Regulatory Focus in Home Health

- Department of Justice (DoJ)
 - On September 7th, the DoJ announced the arrest of 91 defendants across the country charged with defrauding the Medicare program and allegedly submitting approximately \$295 million in fraudulent Medicare claims
 - This was the highest amount of false billings targeted in a single takedown since the Health Care Fraud Prevention and Enforcement Action Team (HEAT) was implemented
 - One of these arrests was the owner of a healthcare referral business in Houston who was charged with recruiting Medicare beneficiaries in exchange for kickbacks for approximately 100 different home healthcare agencies

Government Programs

- Centers for Medicare & Medicaid Services (CMS) aid Fraud Prevention Initiative
 - Through the Fraud Prevention Initiative CMS is working to ensure that correct payments are made to legitimate providers for covered appropriate and reasonable health care services
 - The Affordable Care Act provides additional resources and tools to enable CMS to expand efforts to prevent and fight fraud, waste and abuse
- Zpics focus in home health includes:
 - Unannounced site visits
 - Unannounced interview of home health patients and their families
 - Pre-payment and post-payment audits
 - Suspension
 - Medicare number revocation
 - Referral for criminal investigation and prosecution

Government Programs (cont.)

- Health Care Fraud Prevention and Enforcement Action Team (HEAT) efforts are strong in home health
 - In the Spring 2011 semi-annual report to Congress, OIG highlighted several cases where a case in Miami where the owner of medical clinic was sentenced to 60 months of incarceration and ordered to pay \$9.8 million for his role in a Medicare fraud scheme for allegedly provided unnecessary prescriptions, plans of care and medical certifications to Miami area home health agencies in return for kickbacks and bribes
 - More than 1,140 defendants have been charged to date who, cumulatively, have allegedly billed Medicare more than \$2.9 billion in false claims
- No RAC Activity in home health as of October 7, 2011
 - Statement of Work for Recovery Audit Program specifically calls out home health agency as a provider type for audit
 - CMS will conduct a minimum annual review to determine if the recovery audit contractor is reviewing all types of claims

HHS OIG Work Plan for 2012

- HHS OIG Work plan for 2012 includes the following:
 - Review home health agencies' OASIS data to identify payments for episodes for which the OASIS data were not submitted or it is not consistent with the OASIS data electronically submitted to CMS
 - Review Medicare claims that exhibited questionable activity
 - Review Medicare claims to determine the extent to which they meet Medicare Coverage requirements.
 - Review compliance with aspects of the home health PPS coverage requirements including
 - (1) be homebound,
 - (2) need intermittent skilled nursing care, physical therapy, speech therapy or occupational therapy,
 - (3) be under care of physician, and
 - (4) be under a plan of care that is established and periodically reviewed by a physician.

Key considerations that impact Auditing and Monitoring Programs in Home Health

Factors that may impact Auditing and Monitoring Programs...

- Size, geographic location and central or decentralized departments
- Resources within Compliance Departments as well as the infrastructure within the organization
- The roles other departments play in mitigating risk and collaborating in internal audits

Where is your process for auditing and monitoring?

- What is your audit methodology?
- What are your sampling units?
- Do you have policies and procedures that determine how often and when individuals are audited?
- How do you determine your focus for auditing and monitoring?
- Do you utilize data analytics and trending to determine focus areas?
- Do you work with other departments to guide your efforts?

Key Risk Areas

- Billing for Medically Unnecessary Services
- Billing for Services Not Actually Rendered
- Billing for Services for Patients who are not Homebound
- Disregard for Willing and Able Caregivers when Providing Services
- Overutilization of Therapy Services
- Manipulation of the Various Therapy Thresholds
- Length of Stay
- LUPAs
- High Case Mix
- Adequate Clinical Documentation
- Relationships with Potential Referral Sources
- HIPAA Risks
- Sales and Marketing Efforts and the Anti-Kickback Statute

Will you be Ready for RAC/Other Government requests?

- Have you flowed the process from front to back for state and federal requests for medical records or other information?
- Have you documented policy and processes to address both federal and state program audits.....the timelines and requirements are not the same!
- Do you keep a scorecard of requests and paybacks by program — automated or otherwise?
- Do you utilize the learning's from these paybacks timely?



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