August 2015 Infoline

HAPPY END OF SUMMER!  Yes, I took July off from the Info Line so nope, you didn't miss it!  But that does mean we have a ton of great information to share.

Here we go!

**ICD-10 Operational Ideas -we are super close to go live.  Risks still present**

I am very sure that the coders are working hard with dual coding or practice ICD-10 coding with go live right around the corner.  There are many other issues for the BUSINESS OFFICE and payer impact areas in getting ready.  Take a look at the webpage as we have a dynamic class - "ICD 10 Changes Everything in the Revenue Cycle" .  There are numerous new transmittals from CMS on splitting claims plus ICD 9 after go live. Here are more operational hints to be sure you are ready for a transparent CASH flow impact.

1. Pick up all the cheat sheets in all the depts regarding what payers will allow for dx testing with what dx.  All will need updated. (Hot spot:  Chemotherapy drugs)  Every payer has their own rules for what dx are covered for what tests.  Get on the phone and check .. Ask each payer for their updated list of dx codes /dx procedure match.   Anticipate new denials if this is not done.
2. TEST TEST... unfortunately, very few payers and providers are ATTACKING real ICD-10 testing..like we did with Y2K.  Testing loops and segments - more likely is only occurring. But testing of a batch of ER claims - watching it go thru the provider edits, rejections, and then thru to payment..huge as we have 25% more trauma codes with 7th digit potential delays. Then roll out to inpt surgeries- another huge area of change.
3. Duality of systems - ask the payer - how long will you accept ICD9 AFTER go live?  There has been some confusion with some MedLearns that Medicare released, but ask EACH payer - all mgd care plans too.  There is no 'rule' for allowing any re-subsmission or first submission of ICD -9 after go live.
4. Contract language update.  Important to get into all contracts - revised dx codes if payment is driven from ICD codes PLUS allow for 1 year of ICD 9 submission.  Very unlikely this will occur without contracted languge.  How will an inpt claim be submitted if falls on Oct1st?
5. Medicare issued rules for split claims (OBS= 131/split; inpt = based on day of discharge).  Read these carefully as there are rules for all pt types:  MLN SE1408 revised   June 27, 2015;  MM9290  released 8-14-15.
6. CLEAN OUT UNBILLED ON SEPT 30th. With the uncertainty of 'ICD9 after go live' - important to clean out ALL of the unbilled as possible. Also check for any pending LIABILITIES that are being held in AR...others held?  Medicaid after go live with ICD 9???  Eligiblity look back = 3 mons?? then we need to do  ICD 9 for at least 3 months.
7. Pre-certifications and payer authorizations - HUGE as we have many unknowns with payer 'matching ICD 10' or in the same family?  or how will we know we have a match so we are not denied for 'no preauthorization?"  There are internal changes that need made to have the ICD 10 experts - the coders - look at dx denials and help create 'last set of eye' fixes.
8. Test INPT Case Mix.  Ensure that part of the dual coding is validating that the case mix index -huge for DRG inpts - is not being impacted.  TEST ALL PAYERS!

There are many more 'getting ready' areas that may still need done within the organization.  There is significant fear that the coders will be coding (still about 30% slower for a few months) but due to the lack of testing with the payers, we will see new denials, return to provider rejections and delays in rapid turn around of cash.  Time to buckle down...

**CMS has started a new short stay audit program**

Lots of great reading material but here are the highlights:

1)    As Dr Hirsch/Accretive states --there is NO delay in the audits for short stay. Once again, media reports are misleading.  0-1 MN will continue to be audited - just new group and new focus.  RAC Monitor has an excellent article, written by Dr H , on this change.  <http://www.racmonitor.com/rac-enews/1874-cms-no-audit-delays-for-inpatient-short-stays>

2)  Highlights include:  QIOs (quality improvement organization) will begin auditing Oct 1, 2015.  KEPRO is the Beneficiary and Family Centered Care Quality Improvement Organizations (BFCC-QIOs) who will request records requiring 14 days (not 30 days has been allowed) to reply and will be required to give a decision within 30 days.  \*CHECK KEPRO website for updates on how to get the records FAST to them - wants fax.  <https://www.keprogio.com/partners/pdfs/moa.pdf> -Thanks, Dr Johar/Ohio.

3)  QIOs are not paid to deny like the RACs.

4)  If the claim is denied (after educational call too), the MAC is notified to do a recoupment.  (PFS - alerted to watch for this and inform UR or denial team)  Can bill part B.

5)  Hospitals will high error rates will be referred to the RAC starting on Jan 1, 2016 for more intensive auditing.  RACS can only audit admission dates on or after Jan 1, 2016, leaving all of 2015 off limits.

WOW!  Be sure to stay informed as this is a new world of 2 MN audits...

**NEW MED LEARN ON : Limiting the scope of review on redeterminations and reconsiderations of certain claims**

Thanks to The HealthLaw Partners for sharing this excellent new directive on auditing of 'related ' items.

MLN Mattaers SE1521

"For redeterminations and reconsiderations of claims denied following a post-payment review or audit, CMS has instructed MACs and QICs to limit their review to the reason the claim or line item at issue was ORIGINALLY denied....This clarification and instruction applies to redeterminations and reconsideration requests received by the MAC or QIC on or after Aug 1, 2015."

**NEW OBSERVATION NOTICE ACT:**

It appears we do have a new 'regulatory 'notice to inform the Observation patient when they are in outpt status for more than 24 hrs and within 36 hrs of their rights.  Take alook at the full text of the law as the providers have 1 year to get this rolling.  (Called: NOTICE ACT - HR 876)

    HINT:  YOU SHOULD NEVER EVER EVER EVER have an outpt observation who is in outpt status for more than 1 MN/Medicare.  NEVER EVER EVER...so good news, this should not need done by providers..

**Mgd Medicare Plans - denials, new inpt rules--really????**

We may get upset at Traditional Medicare Part A & B, but heck - compared to the 'each Part C gets to have their own rules' - we may wish for Traditional Medicare.

We continue to see massive 'lack of certification to inpt status' and 'post denials after verbal approval of inpt' from the Mgd care plans - especially Part C/Mdg Care Part C.

Contracts are the best option to get clarity but fighting denials -with legal as needed - is also a necessary strategy.

HINTS:

    Contracts have seldom included: What is an inpt?  How does the payer define an inpt? If Mgd Part C - are they using 2 MN?  and /or clinical guidelines?  
Ensure arbitration and language with timelines for reply is built in the contract.

 NOTE:

    We have the proposed purchase of multiple plans, per USA Today 7-27-15

    Anthem BX is looking to purchase Cigna

    Aetna is looking to purchase Humana

    Leaving United as the last of the 3 new giants...

Wow - contracting will become more complicated with less flexibility as we move to 3 primary payers...

**EDUCATIONAL OPPORTUNITY:**    GA HFMA has offered a free webinar on **BUNDLING**.. with CMS's notification of the 75 geographical regions to accept retrospective bundled payments for hip and knee replacement surgeries (MS-DRG 469 and 470). Impacted hospitals are only required to save 2% of the costs, but must also accept financial risk should costs increase in the 90 day bundle period.

Listen to the replay by going to:   [https://www.dropbox.com/s/6csic4ci3q48uwb/2015-08-20%2013.01%20GA%20webinar\_%20%20bundled%20payments%20\_20%the%20Time%20is%20Now.wmv?dl=0](https://www.dropbox.com/s/6csic4ci3q48uwb/2015-08-20%2013.01%20GA%20webinar_%20%20bundled%20payments%20_20%25the%20Time%20is%20Now.wmv?dl=0).  Or check with GA HFMA.  GREAT TRAINING with 2 experts in the field!!

**Come and say hi at the conferences or the upcoming webinars. The sites ask me to inform you... happy to!**

**PS  Don't forget to go to our webpage for lots of FREE educational material. We are always updating it!!**

Sept 18th            Utah HFMA            Inpt vs obs -why is it so hard? Plus 2 MN updates

                                                       Top audit findings with charge capture and pt status

Sept 25th            VHA Regional         2 MN updates

Oct 8th                NJ HFMA              ICD -10 - hot off the go live press

Oct 14th              Region 2 HFMA     2 MN updates and top audit findings

Nov 2nd               Compliance 360     Customer conference - Top audit

Nov 6th               VHA Regional         TBD

Nov 12th             AICPA Healthcare    ICD-10 -hot off the go live

Nov 16th             Region 9 HFMA       Top audit & 2 MN updates

Have a great one!   Keep smiling...

Thanks for the privilege to be a part of your professional family.  Excellent!!

SAVE THE DATE:  Physician Advisor and UR Boot camp for 2016.  San Antonio        July 20-22, 2016

We would love to see you there...