**March 2015 Infoline**

**YEAHHOO!   The Physician Advisor and UR Boot Camp is ready !**   Please go to our webpage (partners) or directly to our co-sponsor: RAC SUMMIT  (<http://www.racsummit.com/brochures/RACPhysAdvisor2015.pdf>) to find the full agenda and get registered.  EXCITED!

Highlights:

    2 pre cons:  1) Areas of influence with physician advisors/co-sponsored by the American College of Physician Advisors    2)  Exploring an integrated CDI program- traditional CDI and UR.

    1.5 days with the best faculty in the industry who can make the work flow easily understood for **both PA and UR** attendees PLUS Updates from a MAC, Legal and hot topics from the industry impacting this excellent partnership - PA and UR.

    We attack 4 key areas of focus:  The First Point of Contact, Concurrent and Daily Review, Denial Prevention and Ongoing Education.

    Additional highlights:  Case study work sessions, interactive Q&A, panels to discuss /cuss tough topics PLUS 5 scheduled networking opportunities with the faculty.

    Operational focus - both for PA and UR - will be taught through many different approaches.

    Live webstreaming for an option if you can't come and join us in San Antonio.

WHEN:    July 22-24, 2015

WHERE:  San Antonio, TX

PRICING:  Pricing is built around bringing both the UR and PA team to enhance the 'take away ' value.

**WOULD LOVE TO HAVE YOU JOIN US**!  Take a look and let me know if you have any questions.  Thanks for your continuing support as we bring 'nuts and bolts' boot camps to these two great groups!

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**GENERAL UPDATES**

 CGI IS BACK:  The short version- CMS is back to the bidding for the 4 permanent RACs as CGI won their lawsuit.  How that will impact the official 'go live' date with the new RACs?? Unknown.  But the EXISTING RACS are back so be sure to check their individual RAC webpages for their 'new items'.  Audit to ensure compliance BEFORE the RAC knocks on your door.

"Appeals Court Invalids CMS Contract with the RACS" - 3/17/15  (Thanks Dr Johar)

When we get the new RACS- there are program improvements that CMS had issued. However, this should also be watched as with the court decision, elements of the improvement are also at risk.  (<http://www.cms.gov/research-statistics-data-and-systems/monitoring-programs/medicare-ffs-compliance-programs/recovery-audit-program/downloads/RAC-program-improvements.pdf>)

Ready to be passed into law:  DELAY OF THE 2 MN TO MOVE TO THE RACS TO AUDIT.  (Still have people saying: enforcement!! Just kick them!!)   It is anticipated that the SRG repeal bill WHICH has the provision to delay moving the enforcement of the 2 MN (less than 2 MN) to the RAC auditors until Sept 2015 will be passed and signed this week.  The MACs can implement a round 3 Probe and Educate - but all the details are still to be defined. STAY TUNED! (Thanks, Dave Smith/RAC RELIEF)

(<http://www.healthcarefinancenews.com/news/two-midnight-rule-delayed-until-september-sgr-repeal-bill>)

**Short Stay DRG** !  HUGE HUGE  It is a HUGE potential change that both MedPac and AHA are appearing to recommend.  Please take the time to carefully study AHA's letter to CMS Feb 13th letter:  Two-Midnight Policy and Potential Short Stay Payment Solutions.

    Thoughts:  MedPAC recommended moving to a new DRG for any inpt stays that had less than 2 MNs.  Although AHA has done extensive financial analysis along with detailed outlined ideas/multiple options using the most current financial info/PRIOR to 2 MN rule unfortunately,  a few major concerns-

    a)  Currently 1 Outpt MN and 1 Inpt MN = 2 MN benchmark. This is paid at 100% of the full DRG.  This is the 'gift from CMS" that gives us our new inpts.  These are definitely within the 'target zone' of the new short stay DRG. HUGE loss of cash as the 100% DRG/current will be reduced to a lower payment.

    b)  For any Inpt that has less than 2 MN - take a look at your historical analysis.  What kind of financial HIT will occur if this happens?

    c)  Observation- originally there was 'consideration' to count the 1st MN as an outpt toward the 3 MN SNF -  OR   -  -if OBS was involved, consider paying as an inpt -in the SS DRG formula.  Does not appear to clarify these very problematic areas.

    d)  How many inpts occur that REALLY need to be an inpt and yet not cross the 2 MN benchmark?  Does the volume of 'new SS DRGs' equal the HUGE Loss of Inpts under the 2 MN benchmark?  (1 MN inpt without the preceeding 1 MN outpt; 1 MN inpt and discharged with no declaration of needing a 2nd MN; pt admitted and recovers sooner than expected; pt admitted but has to be transferred out = all will be impacted if the SS DRG is implemented.  Anything under 2 MN)

AHA indicates they don't know how CMS will address the 2 MN benchmark -but hopefully they will LOBBY HARD to keep the full 100% DRG for these 2 MN combinations..

I am afraid that we are creating a major level of complexity while losing significant payments for the majority of the inpts - those under 2 MN but with 1 MN outpt/1 MN inpt being the highest at risk.  Please contact:  Priya Bathija, [pbathija@aha.org](mailto:pbathija@aha.org).  They want to hear from you...  MED PAC's March 5-6th minutes too.   NOT LIVE yet, but lots of discussion...

(Thanks, Ernie DeLosSantos & Kathy R/FHA)

**April 2015 Update of the Hospital Outpt Prospective Payment System/OPPS** - Change request 9097, March 13, 2015.

take a look at the inpt Only and the 72 hr combine.  Never a dull moment!

**HEY - don't forget to go to our WEBPAGE to see the a) Free classes, b) Pearls /hints, c) historical Info Lines as well as d) an outline of the many fun projects we love doing... with audit & operational education as the primary focus.  VERY DARN FUN!**

**PS ICD-10 IS STILL ALIVE AND WELL. Check out webpage and see the many services we offer:  remote coding, ICD-10 boot camps, coding audit, doctor education**

**\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*Come and say hi at these great meetings.  They ask me to let you know I will be presenting. Happy to\*\*\*\*\*\*\*\*\*\*\***\*\*\*\*\*

April 10th            IlHIMA            Mastering the 2 MN rule - finding and keeping your lost inpts..plus updates from the probe and educate audits

April 14th            FREE            Compliance 360 - free webinar.  We are going to do a very cool denial prevention PLUS hot lost revenue webinar.  2 of us!

April 16th            SD AAPC       ICD-10 changes everything in the revenue cycle - think beyond HIM &  Mastering 2 MN

April 21st            ICAHN            IA - webinar - inpt vs obs: why is it so hard?

April 23rd            OK HFMA      ICD-10 & Mastering 2 MN

May 7th              WA HFMA      TBD

May 14th            ORE HFMA     Exploring an Integrated CDI - traditional CDI and UR- case study includedJune

HAVE AN EXCELLENT SPRING!  Love it!