

Eli's Rehab Report

Compliance: Provider-Based Requirements -- You May Be Missing Key Pieces

3 tips could save you from your FI's watchful eye

If you're an off-site--but hospital-affiliated--rehab facility, you'd better know what "provider-based requirements" are because fiscal intermediaries are hot on the prowl to make sure that you do.

Background: When the Medicare outpatient therapy caps were on moratorium, if you were a provider-based clinic, you didn't have to follow CMS' provider-based requirements. But clearly you're on the hook now that therapy caps are in place.

Experts have noticed, however, that rehab providers are struggling with these requirements--and getting burned by their FIs. First, you could incur fines for failing to comply with the regulations, but even worse, you would be subject to the therapy caps if CMS doesn't consider you affiliated with a hospital. So make sure you're an exception by following these highlights that will help you navigate those tricky regulatory turns.

1. Walk in Your Patient's Shoes

If you are a patient entering your rehab clinic, do you know that the facility is affiliated with a hospital? If not, you'd best put on your PR hat and reconsider the message you're delivering to the public. For example, take a look at your signage. Is the hospital name there? "Patients must be aware that they are entering the main provider as they enter the off-site facility," says **Lyndean Brick, JD**, senior vice president for Murer Consultants Inc. in Joliet, Ill.

Other advertising and PR pointers: Include the hospital's logo on your letter head, brochures, printouts of the main provider's Web site that mention your off-site facility, and even your admitting forms, Brick says. Also make sure that your Yellow Page ad lists your facility under the main provider's listing, she adds.

Don't miss: Another major requirement clinics often forget is to provide patients with a notice of co-beneficiary liability, says **Briar Andresen, JD**, a healthcare attorney with Fredrikson & Byron in Minneapolis. This requirement, specific to off-campus facilities, states that you must provide your patients with a form that explains they're going to receive an additional co-pay that they wouldn't be paying if they were going to a regular standalone clinic, Andresen adds.

2. Run a Fine-Tooth Comb Through Your Finances and Records

What your patient sees is only one piece of your compliance requirements. Another equally important piece is being able to prove that you're "financially integrated" with the hospital. "That means you have to have the same trial balance and be using the same chargemaster," Brick says.

You must also be able to demonstrate "clinical integration." What this means: "Your FI may ask you to provide a copy of a patient record, where somebody who's received therapy was also an inpatient," Brick says.

Watch for: On the HR side of things, have clear documentation on hand of your clinic's employees, their job descriptions and an organizational chart showing the off-site facility as a subordinate and integrated department of the main provider, Brick says. Bottom line is, your documentation and practices must show that "the off-site staff has privileges at the main provider, the main provider monitors and oversees the off-site facility, and the off-site director has a reporting obligation to the main provider."

3. Follow All Regulations That HOPDs Rehabs Follow

Your facility is bound to the same policies that hospital outpatient departments (HOPDs) must follow--including everything from OSHA to CMS requirements.

Example: Just like a HOPD, you must ensure that all your employees and contractors have documented orientation and annual training on topics such as OSHA's Bloodborne Pathogens & Hazard Communications, HIPAA Privacy & Security, and Corporate Compliance and Ethics, says **Mary Daulong, PT, CHC**, with Business & Clinical Management Services Inc. in Spring, Texas.

Along the same lines, you're responsible for the same documentation requirements spelled out in Medicare Transmittal 63 and the Correct Coding Initiative edits that pertain to HOPDs under the Physician Fee Schedule, Daulong says.

Important: Although this article can give you a head-start, it is not exhaustive of all provider-based requirements and their details. For more information, contact a healthcare attorney, and stay tuned to future related articles.