

Eli's Rehab Report

Industry Notes:

Mark Your Calendars: CMS Sets March 3-March 7 As ICD-10 Testing Week

If you worry about whether your claims will appropriately process on Oct. 1, 2014, fret no more. You'll get to test out your ICD-10 coding skills this spring with a dry run that the **Centers for Medicare & Medicaid Services** (CMS) plans to offer practices who want to submit sample ICD-10 claims, CMS announced in MLN Matters article MM8465, published on Nov. 1.

During the week of March 3 through March 7, 2014, your MAC will allow you to send in your test claims that include ICD-10 codes. If you have difficulty processing the claims, you'll be able to contact the help desk to figure out what went wrong. In addition, you will get electronic acknowledgement of your test claims that will tell you whether they were accepted or rejected.

After the testing period ends, CMS will share information about the percentage of test claims that were accepted versus rejected, and will offer additional information about lessons learned during the testing period.

To read more about the ICD-10 test dates, visit

www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM8465.pdf.

Get to Know the 2014 Therapy Cap

Coders and therapists don't actually look forward to hearing updates about therapy caps, since they typically would prefer to hear that those caps didn't exist. However, CMS has made therapy caps a necessary evil for yet another year, and the agency released the hard numbers last week.

According to MLN Matters article MM8407, for physical therapy and speech-language pathology combined, the therapy cap for 2014 will be \$1,920. For occupational therapy, the cap will be \$1,920 as well.

To read the CMS therapy cap guidance in its entirety, visit

www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN.

Tread Carefully When Billing for Rehab Therapy Services

Home care providers aren't the only ones getting major scrutiny for therapy. The **Department of Justice** (DOJ) is cracking down on Medicare claims for rehabilitation therapy services in skilled nursing facilities.

The **Ensign Group Inc.**, a skilled nursing provider based in California that also owns home health and hospice business lines, is paying out \$48 million for allegedly submitting false Medicare claims for medically unnecessary rehab therapy services, the DOJ recently announced. The settlement agreement reached with the DOJ involved six of Ensign's California skilled nursing facilities (SNFs), including:

- Atlantic Memorial Healthcare Center (Long Beach)
- Panorama Gardens (Panorama City)
- The Orchard Post-Acute Care a.k.a. Royal Court (Whittier)
- Sea Cliff Healthcare Center (Huntington Beach)
- Southland (Norwalk)
- Victoria Care Center (Ventura)

From 1999 through 2011, six Ensign facilities "allegedly submitted false claims to the government for physical, occupational and speech therapy services provided to Medicare beneficiaries that were not medically necessary," the

DOJ states.

The settlement agreement further alleged that the Ensign facilities kept patients longer than medically necessary, billed for inflated amounts of therapy not provided, and "improperly incentivized therapists and others to increase the amount of therapy provided to patients to meet planned targets for Medicare revenue," the DOJ says. "These targets were set without regard to patients' individual therapy needs and could only be achieved by billing at the highest reimbursement levels."

In addition to shelling out nearly \$50 million, each of Ensign's six SNFs have entered Corporate Integrity Agreements (CIAs) with the OIG.

The settlement is one of the largest Medicare fraud cases against a nursing home chain in U.S. history, according to the U.S. Attorney for the Central District of California **Andre Birotte, Jr.**

Last spring, Ensign noted that it had seven hospice companies and seven home health businesses in addition to its skilled nursing, rehab, assisted living and urgent care facilities. "Ensign is actively seeking additional opportunities to acquire both well-performing and struggling home health and hospice operations across the United States," the company said at the time.

To read the entire DOJ release, go to www.justice.gov/opa/pr/2013/November/12-civ-1235.html.

In another case, a patient recruiter and therapy staffing company owner were sentenced to lengthy prison sentences in relation to a Miami home health agency. **Anna Nursing Services Corp.** patient recruiter **Ivan Alejo** pleaded guilty to negotiating kickbacks and bribes for other patient recruiters and doctor's office staff for patients and for bogus prescriptions, the DOJ says in a release.

Professionals Therapy Staffing Services Inc. owner **Hugo Morales** created and directed the creation of fictitious progress notes and other patient files indicating that therapists from his company had provided physical or occupational therapy to Anna Nursing patients, when in many instances those services had not been provided and/or were not medically necessary, the DOJ says. Medicare paid Anna Nursing about \$7 million for false claims from 2010 to 2013.