# Eli's Rehab Report

## Outpatient Outlook: See What's Cooking with New Targeted Manual Medical Reviews

**You'll hear from an SMRC instead of a RAC this time.**

The new manual medical review process has just begun to hit rehab providers this year. Are you ready? Therapy caps are still in play, and that means the MMR process kicks in for therapy claims (PT plus speech and OT standalone) exceeding $3,700 for the year  sort of.

**What's new:** According to the **Centers for Medicare & Medicaid Services** (CMS), this year, recovery audit contractors (RACs) are no longer in charge of MMRs. Plus, the reviews are supposed to be more "targeted." Instead of automatically being reviewed after hitting $3,700, you'll only be singled out if your claims are suspicious  and only if you're in a skilled nursing facility, outpatient facility, or private practice. Home health agency claims will not be reviewed.

How do you know if you're being reviewed? Enter **Strategic Health Solutions** (SHS) a "supplemental medical review contractor" (SMRC) that CMS has graced with doing the job in place of RACs. If you receive an "additional documentation request" (ADR) from this company, you're under MMR  and on the radar for high therapy use. Whether an SMRC will bring any difference in outcome than how RACs handled MMRs is yet to be seen.

**What Constitutes 'High' Amounts of Therapy?**

Unfortunately, no definitive number of therapy codes or hours has been set to indicate what would trigger an MMR. "CMS noted that the SMRC is allowed to define what a 'high' percentage of patients that exceed the threshold is, and this definition could evolve over time as the SMRC refines its data," says **Sarah Warren, MA,** director of health care regulatory advocacy for the **American Speech-Language-Hearing Association** (ASHA).

The only information we know is that the SMRC will look at providers who have "a lot" of minutes or hours of therapy per day and a high percentage of their patients that exceed the $3,700 threshold. Those numbers could be anyone's guess at this point.

"We have no guidance in this area as CMS or Strategic Health Solutions has failed to provide further guidance," says **Roshunda Drummond-Dye, JD,** director of regulatory affairs for the **American Physical Therapy Association** (APTA). "APTA is seeking more clarification in this area as well."

**Best guess:** Know what other providers in the same setting are doing. According to experts, SHS will be deciding whether your therapy hours and dollars are reasonable by comparing you to your peers. If you're an outlier, you can probably expect an ADR.

**Understand the Process**

The MMR process involves the following steps:

1. You receive an ADR. (Only 40 claims per provider are allowed to go under review at one time.)
2. The SMRC has 45 days to respond. Some claims may get the green light and others may be denied.

3. If you're unsatisfied with a denial, you have the option to request an informal 30-day "discussion period."

In a meeting with ASHA in May, CMS explained that this would be similar to the informal discussion period used by the RACs, Warren says. Although it's not clear exactly what could come of these discussion periods, she speculates, "it could be used for things like providing missing documentation or identifying where elements of the medical record that were cited as the reason for denial were included in the supporting documentation."

4. Still have unfair denials? At this point, you'd take the remaining claims through the regular Medicare appeals process.

The first MMR requests appear to have gone out in mid to late April, and therapists are just now starting to hear back, Warren says. "We'll likely start hearing from our members who received denials in the coming weeks. We hope the process is going well, but at this point it may be too early to tell what, if any, problems our members are facing."

"APTA is encouraged by CMS' willingness to complete the reviews in a timely manner on a post-payment basis. We also believe the efforts aimed at targeting those providers that may have aberrant or noncompliance issues is a step in the right direction," Drummond-Dye says. On the other hand, "we remained concerned about the lack of guidance and information about the process provided by CMS to [SHS]. APTA will continue to monitor the reviews for implementation issues and report back to CMS for resolution."