Eli's Rehab Report

Survival Guide :6 Steps to Prepare You for the RAC Audit Onslaught

Make CMS payment guidelines work for you -- not against you.

All rehab providers can expect Recovery Audit Contractors to scrutinize their Medicare claims. Stay one step ahead with these six expert-recommended steps.

1. Use benchmarks. RACs are likely to target outliers for review, so youll want to know if youre on that list, recommends **Tom Boyd** with Rohnert Park, Calif.-based Boyd & Nicholas. Know your peers state and national benchmarks as compared to your own.

Some settings, such as SNF Part A, may find data is on the CMS Web site. Other settings can check with their Medicare contractors for data on their specific regions, or you can buy reports from private benchmark vendors.

2. Act fast on record requests. If a RAC contacts you with a medical records request, you have 45 days to submit your data, or you get an automatic denial, says **Linda Baumann, Esq., JD,** attorney with Arent Fox in Washington, DC. It may sound like a lot of time, but a lot of people are missing this.

This task might become even harder when your staff is faced with requests from unfamiliar contractors in unfamiliar formats.

Looking ahead: Make sure that you have all of your processes in place and all of your documentation in order so that if auditors are addressing issues you dont feel are substantiated, youre ready for the appeal process,

counsels **Cherilyn G. Murer, JD, CRA,** president and CEO of Murer Consultants in Joliet, Ill. In these early days, the appeal process is critical; this is the time to be aggressive with the audit and with the appeal because were setting the stage at this time.

3. Give your documentation practices a makeover.

This may take re-education, but its well worth the time.

You have to & over-exaggerate documentation relevant to medical necessity, Murer stresses. Weve always said documentation is important, but right now it is at the essence of our survival.

If youre in an inpatient rehab facility, pay particular attention to justifying your setting. For example, why should this patient be in an IRF, as opposed to a skilled nursing facility or home health plan of care? Being proactive on the appropriateness of the venue of care is one of the most important elements in preparing for these audits, Murer says.

4. Build your appeals ammunition on solid ground.

For an effective appeals battle, build your arguments on Medicare payment criteria; say how your claims fulfilled specific criteria. For example, IRFs should be referencing the Medicare Benefits Policy Manual, Chapter 1, Section 110. A lot of IRFs are using other criteria or vague medical necessity concepts to argue their cases, and it wont make a difference, says **Tim Johnson,** executive director of Denver-based consulting firm, Castle Rock Medical Group.

For example, there are a lot of inpatient rehab providers that use the 75 Percent rule as guidelines for their medical necessity criteria, but this is not the same as the reimbursement criteria you see in the Medicare Benefits Policy Manual, Johnson says.

Smart: If you choose to appeal a RAC denial, develop a criteria-based summary, Johnson recommends. The courts have held that when Medicare has specific criteria, it must use that criteria to evaluate cases. So take the medical record and the documentation you want to appeal, line it up next to your reimbursement criteria, and build a case summary that points to how each requirement was met, Johnson explains.

5. In front of an ALJ? Speak in laymens terms. If it comes down to you fighting for your money in higher levels of appeals, watch how you are presenting your case.

An administrative law judge probably doesnt have a medical -- or rehab -- background.

Theres a tendency for rehab people to assume that the courtroom understands as much about the patients and patient care as they do, says **Donna Thiel, JD,** with Baker, Donelson, Bearman, Caldwell, & Berkowitz in Washington, DC. So I urge providers to tell the story of the patient, to really paint a picture of this person and whats going on.

Important: Watch for jargon like ADLs, transfers, SOAP notes, and isometrics, etc. As everyday as these sound to you, they wont to a judge.

Dont assume the ALJ understands Medicare coverage criteria either. You may be facing a new judge whos never done a rehab case before, so you dont want to start talking about how you fulfilled coverage criteria until you explain what the coverage criteria are, Thiel says.

6. Dont relax too soon. You may have heard the stories of all the rehab appeals won at the ALJ level during the RAC pilot project. Although this is a high level in the appeals process, its not the last. We are finding multiple cases where the Medicare appeals council is overturning ALJ decisions, Johnson points out. So dont breathe a sigh of relief until all five levels of appeal are exhausted.