

Eli's Hospice Insider

COMPLIANCE: Develop a Best Practice Plan for Managing Additional Development Requests

Here's how to beat claim denials and worse.

Mastering ADRs can move your hospice to the head of the class in preventing payment denials and compliance woes.

Start by being aware of the different types of medical review. Hospices do see some "plain vanilla" ADRs from the MACs or FIs that aren't part of a probe, says attorney **Mary Michal**, with Reinhart Boerner Van Deuren in Madison, Wis. For the most part, however, hospices are involved with ADRs due to a probe edit or a beneficiary edit. As for the latter, "denied claims will often result in each succeeding claim being subject to an ADR for the same patient" until they get turned over, which is one reason to appeal in a sophisticated way, says Michal who presented on ADRs in an audioconference sponsored by **Eli Healthcare**.

If the hospice is on a probe edit, the FI or MAC will notify the hospice that it's been identified as an outlier. "For example, Palmetto ... normally uses non-cancer long lengths of stay as its probe," Michal tells Eli's Hospice Insider. And it will flag a hospice that has a higher than average percentage of their non-cancer patients in the hospice program for a long time.

Knowing what probe you are in helps you determine your strategy for responding, Michal underscored in the audioconference. But keep in mind that being in a probe edit doesn't mean you have done anything wrong.

It means your MAC or FI is looking at an outlier situation and you fit into that one, Michal noted. And it means you have to get your documentation together and be proactive from the start, she stressed.

Example: National Government Services is using increased cost per beneficiary as a probe edit, observed Michal. A hospice may, however, have increased beneficiaries' access to care so that its average length of stay has gone from 30 days to 40 days, which is actually a positive thing. "The FI or MAC will normally ask for 40 charts to review, and after reviewing those 40 charts, it will determine the charge to denial rate" to decide whether to put the hospice on targeted review, said Michal.

Time to worry: If your hospice is in a probe edit and gets selected for further targeted review, pay close attention, advised Michal. "If you have any questions at all about documentation, look to see if you need outside consultants or legal help."

4 More Strategies Keep the Cash Flowing

Experts suggest these additional smart ADR moves:

1. Stay on top of the process. If you let an ADR pass you by, say goodbye to your payment. One thing the National Hospice & Palliative Care Organization hears repeatedly when talking to people at the Centers for Medicare & Medicaid Services is "that you wouldn't believe the percentage of ADRs [resulting in claims denials] because the provider doesn't respond," advises NHPKO's **Judi Lund Person, MPH**.

Must-do: Whoever checks on claim payments in the Medicare contractors' electronic system should be on the lookout for ADRs. Make sure your billing agent, if you have one, is on top of this issue. Also pay careful attention to the timeline for submitting the requested documentation spelled out in the ADR (see the chart on page 61).

Tips: "If you are in a probe edit, set up a very comprehensive spread sheet and keep track of everything out there," and when it gets approved and when it does not, Michal advised in the audioconference. And keep copies of everything you

sent in.

Also send each ADR response separately with a tracking mechanism, Michal suggested. "This may seem like overkill ... but I have found that a lot of stuff gets lost" at the FI or MAC.

2. Make a case for being paid.

"Paint a clinical picture of the patient in a summary in the cover letter" accompanying the ADR, advises Person. "You might be able to even include language in the cover letter that isn't specifically documented in the medical record but describes the documentation for every claim period so the reviewer can understand the course of the illness, Michal suggested. "Let's say you get an ADR for the month of April, and the patient dies in May. You absolutely want to include that information."

Check the LCDs: Generally, the Medicare contractor will assess whether the documentation meets the local coverage decisions, Michal noted. "If you have a patient with a lot of comorbidities," however, the contractor may look at the LCDs using a silo approach, she cautioned. For example, suppose a patient has lung cancer but also Alzheimer's disease. The contractors may look at each of those separately. Thus, it's very important to make the case that the patient's comorbidities are acting together to make the patient eligible, Michal emphasized.

3. Consider asking for an educational call. If you are in a probe edit, do that early in the process, as it demonstrates that you are very serious about making any changes, Michal counseled in the audioconference.

And sitting in on the call, you can learn some important things about how your FI or MAC is thinking, she noted.

4. Don't give up. If your hospice loses on the first round of appeals but believes the patient is appropriate for hospice -- and has the documentation to back that up -- "take the claim or claims all the way through the appeals process," urges Person. "We have seen a lot of hospices give up for various reasons and not do that."