

Eli's Hospice Insider

Strategy: Protect Your Reimbursement From Cap-Based Reopenings With These 5 Pointers

Tip: Don't overlook another critical figure that might change in your reopened cap year.

Don't let unexpected adjustments based on cap adjustments for years long past take you by surprise. Prepare for potential cap-based reopenings with this expert advice:

1. Keep your own stats. You'll know where you stand at any given time, cap-wise, if you keep tabs on your own beneficiary numbers and revenues, experts recommend. For real-time data, you'll need to rely on your own records, so you should bolster your systems' reporting capacities.

2. React quickly. "Hospices should be alert for the receipt of recalculations" via reopening letters, advises **The Health Group** in Morgantown, W. Va., in its newsletter. "Limited time is provided for repayment before payments are withheld. Additionally, recent events indicate that withholdings may be made from related providers if multiple providers operate under the same FEIN."

3. Examine adjustments for revenue changes. Medicare contractors generally issue reopenings based on changes to the beneficiary count. But "if presented with such a belated reopening, providers should take a close look at the cap calculation to see if the revenue side numbers have changed," urges attorney **Ashton Bracken** with **Sheppard Mullin** in Orange County, Calif., on the firm's website. Many hospice providers have undergone significant post-payment audits with takebacks. "Any reopening that makes micro-adjustments to allowances must in fairness also adjust changing revenue numbers," Bracken contends.

Do this: "While the PS&R system is now better at capturing post-payment adjustments, earlier such adjustments may not have been incorporated into the PS&R system," Bracken cautions. That means you should not only run current PS&R reports, but also "separately consider whether there have been unaccounted for post-payment audit adjustments to revenue for any given year," she advises. "If providers believe that CMS has failed to account for a change in revenue, they should start with an inquiry to the MAC, but should also keep in mind that there is a 180-day deadline to file an appeal to force the revenue adjustment."

4. Scrutinize your long-stay patients. If you get slapped with significant reopening adjustments based on long-stay patients, you'd better put those patients under the microscope before reviewers do. "If you still have numerous patients on service from the 2012 cap year, the agency has length of stay issues that need to be considered for appropriateness," offers financial expert **Mark Sharp** with **BKD** in Springfield, Mo.

To avoid cap liabilities, "from the beginning, carefully evaluate the patient for hospice care and check for prior hospice admissions," recommends **Tom Boyd** with **Simione Healthcare Consultants** in Rohnert Park, Calif. "The best prevention of cap overpayments is screening to only provide appropriate services."

5. Prepare for overpayments. If you may need to apply for Extended Repayment Schedules to repay your cap-related overpayments, you "should begin to accumulate the information that will be needed, including up-to-date financial information," The Health Group counsels.