

Home Health ICD-9/ICD-10 Alert

CODING NEWS: ATTACHMENT D CONCERNS LINGER

Sequencing, risk adjustment not harmed by new guidance, says CMS.

Still hoping for further clarification on the Attachment D changes? You're not alone -- uncertainty over the impact of these changes to the OASIS diagnosis coding guidelines is still in the air. But the Centers for Medicare & Medicaid Services (CMS) insists it's no big deal.

When CMS revised its official guidance on diagnosis coding, known as Attachment D to the OASIS User's Manual, home health agencies were confused over what they perceived as new instructions on sequencing and M0246.

Chief concerns were when to use case mix codes in M0246 when there was a V code in M0230 and what happens to risk adjustment if the code that used to go in M0246 isn't there.

At the recent National Association for Home Care & Hospice March on Washington conference in Washington, D.C., CMS's **Lori Anderson** said agency officials found the controversy surprising. Attachment D merely reiterates longstanding coding guidance from CMS on sequencing and adds some new opt-outs that should simplify M0246 coding, Anderson insisted.

Old way: CMS used to direct agencies to put a case mix code in M0245 (the item before it was changed to M0246 last year) any time a V code replaced it in M0230.

New way: Now CMS tells agencies to put a case mix code in M0246 in only three specific circumstances: when the replaced case mix code is in the Diabetes, Skin 1, or Neuro 3 PPS diagnosis groups and the V code is in M0230; when the V code replaces a case mix code that is a resolved condition; and when the V code replaces a fracture code.

"Nothing [bad] is going to happen if you code M0246" under the old rules, Anderson noted in the session. It's merely a waste of time to code M0246 when the payment system will pick up the case mix points elsewhere due to changes made in the prospective payment system refinements that took effect in January 2008.

"There simply isn't a need to code M0246" in most cases, Anderson told attendees. Think of coding the item as "optional," except in the three narrow circumstances laid out by CMS.

No worries: Failing to have the case mix code in M0246 shouldn't affect risk adjustment for outcomes either, Anderson maintained. You should list the case mix code in M0240 on the OASIS form anyway, and the more complex PPS system should pick it up for risk adjustment there, she said.

As for sequencing guidance, that hasn't changed, Anderson insisted. Home health coders should place diagnoses in the order that best reflects the seriousness of the patient's condition, she said.

Not so fast: Home health agencies aren't convinced that the new guidance is as harmless as Anderson claimed. "The issues and concerns [agencies have] haven't been resolved" by CMS's assurances, says NAHC's **Mary St. Pierre**. Comments on the scenarios included in Attachment D as well as the risk adjustment implications have been sent to CMS and haven't been addressed by the federal agency, says one coding guru.

Coding experts still contend that risk adjustment is affected by the new Attachment D guidelines, St. Pierre notes. And some of the coding scenarios appear to contain errors.

Risk adjustment previously available under the CMS Q and A guidance seems to be gone under the new Attachment D rules, but Medicare says because of the availability of risk adjustment from V codes, agencies will still get the risk

adjustment, points out **Lisa Selman-Holman, JD, BSN, RN, HCS-D, COS-C**, consultant and principle of Selman-Holman & Associates in Denton, Texas.

Attachment D guidance will lead to lower case mix scores for HHAs, maintains consultant **Pat Laff** with Laff Associates in Hilton Head Island, S.C. Anderson's explanation "didn't hold much water," says Laff, who attended the session.

Mostly the new guidance leads to further confusion, Selman-Holman says. "Coders have a hard time figuring out M0246 as it is and CMS has just further muddied the waters, rather than clarifying the situation," she says. "It would be so much simpler if we could just teach coders to place the underlying diagnosis to the V code in M0246, but now we have to go into detail about why in one situation we place the case mix code in M0246 and in other cases it's not necessary."

"Medicare says not to consider case mix status when coding and then its instructions on M0246 require coders to know case mix status," Selman-Holman says. "I think CMS still has a lot of questions to answer."