

## Home Health ICD-9/ICD-10 Alert

### CODING NEWS: RATCHET UP YOUR CODING SKILLS TO GET A JUMP ON CLINICAL DOMAIN REFINEMENTS

**Start training now on these 4 changes if you hope to be ready for PPS refinements by January.**

Your diagnosis coding accuracy will be more important than ever under the proposed prospective payment system refinements. Make sure your coding is up to speed or risk losing reimbursement.

Of the changes to PPS' clinical domain, "the biggest challenge is going to be the diagnoses," predicts Chicago-based regulatory consultant **Rebecca Friedman Zuber**. Agencies will risk "leaving money on the table by not including all of the relevant diagnosis codes," Zuber worries.

Here are four major coding changes included in the April 27 proposed rule that could torpedo your reimbursement:

- 1. An expanded list of case mix diagnosis codes.** The Centers for Medicare & Medicaid Services wants to increase the current four case mix diagnosis groups (neurological, orthopedic, diabetes and burns and trauma) to 20 new groups with hundreds of codes.
- 2. A new payment M0 item.** M0246 will replace M0245 and allow for a replacement code when a non-paying V code bumps a case mix code out of the primary or a secondary position.
- 3. An expanded OASIS form.** The new OASIS item M0246 has space for 12 diagnosis codes. PPS will count the diagnosis codes in the primary and secondary positions toward case mix.
- 4. New scoring guidelines.** With the proposed changes, scoring will be cumulative instead of just counting the highest-paying diagnosis group, as agencies do currently.

The coding guidelines themselves will stay the same, experts say. And home health agencies still have to abide by ICD-9 coding rules as they do now, points out Abilene, TX-based reimbursement consultant **Bobby Dusek**.

But "we now have to master a multitude of additional diagnoses at all six positions," stresses consultant **Pam Warmack** with **Clinic Connections** in Ruston, LA. "Several codes will only capture points if in combination with additional OASIS items," she highlights. "This may be difficult for the nurses to keep in mind when deciding which codes to utilize or the order in which to place the codes."

**Know the score:** Figuring out the reimbursement impact of your coding choices will get much more complex under the PPS proposal, Dusek says. Diagnosis codes can garner a much broader point score than just the current 11, 17 or 20 points for M0230/M0240/M0245 or 21 points for M0440. Under the proposed changes, many diagnoses add as little as one point and some can add as much as 15 or 20 points.

In fact, the proposed PPS changes follow the current M0440 model. The new PPS will tie many OASIS items to diagnosis codes to receive payment. "The emphasis is off the M0 items and toward diagnosis," believes consultant **Melinda Gaboury** with **Healthcare Provider Solutions** in Nashville, TN.

**Example:** An answer of 2 or higher in M0690 on transferring gets points if it's paired with a neuro case mix diagnosis--in addition to getting points in the functional domain. With some of the options garnering up to seven points, that can make a big reimbursement difference.

Because of the complexity, many agencies won't be using diagnosis codes and OASIS codes together to get the reimbursement that's rightfully theirs, Dusek predicts. "I wouldn't be surprised to see double-digit drops" in the percentage of reimbursement an agency receives between current and the new PPS system, he tells **Eli**.

Many agencies may hire professional coders, thanks to coding's increased importance under the PPS changes, Warmack predicts. "The majority of my clients are considering placing qualified coders in a quality control position," she says. They would "review all OASIS [assessments] and assist the clinicians in making the most accurate and intelligent choices with coding assignment."

### **Jump Start Your Training Plan**

Waiting to train your staff on PPS is "not an option," stresses consultant **Regina McNamara** with **Kelsco Consulting Group** in Cheshire, CT. CMS is unlikely to make significant changes to the proposed PPS refinements, so you should start ramping up employees now--especially coders.

Don't make the mistake of waiting until the final rule comes out this fall to start training. "Get started right away," Zuber urges. In addition to beginning training, you should start considering your operational processes and how they will need to change under the new PPS rules, she adds.

The key to being successful in this new plan is accuracy with both the OASIS and diagnosis coding, says **Lisa Selman-Holman, JD, BSN, RN, HCS-D, COS-C**, consultant and principal of **Selman-Holman & Associates** in Denton, TX. Because of the randomness of the proposed plan, it will be impossible to cherry-pick diagnoses, she says. To get the reimbursement your agency deserves, everything will have to work together, and that takes accuracy, she says.

Note: To order a transcript or recording of **Mark Sharp's** recent Eli-sponsored audioconference on the proposed PPS changes, go to <http://goto.elinetwork.net/go/6766> or call 1-800-874-9180.

For more on the proposed PPS rule and how these changes will affect your agency, see Eli's Home Care Week. Contact Customer Service at [subscribe@eliresearch.com](mailto:subscribe@eliresearch.com) or 1-800-874-9180.