

Home Health ICD-9/ICD-10 Alert

OASIS News: Get the Final 2010 Home Health Service Rates Now

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The Centers for Medicare & Medicaid Services (CMS) issued the final home health prospective payment system update on Oct. 30.

The final rule implements a 2-percent market basket update and a scheduled 2.75 percent "case mix creep" subtraction. As proposed, CMS reduced the total outlier payment target to 2.5 percent of all HH PPS payments -- down from 5 percent this year -- and capped outlier payments at 10 percent per agency..

Result: This sets the overall base rate increase at 1.75 percent for calendar year (CY) 2010. The base episode rate for 2010 will be \$2,312.94. The low utilization payment (LUPA) add-on will be \$94.72.

"This final regulation builds on Medicare's efforts to refine its payment systems while working to reduce waste, fraud and abuse," explains **Jonathan Blum**, director of CMS' Center for Medicare Management, in an Oct. 30 announcement.

The PPS rule contains a number of other important items, including:

- OASIS submission will be a condition of payment.

CMS will require providers, prior to submitting a final PPS episode claim, to have submitted an OASIS assessment, and require that the HIPPS code on the final claim match the HIPPS code on CMS' OASIS validation report.

CMS has "no intention that this proposed requirement would have an effect on long-standing direction associated with submitting RAPS, OASIS completion timeframes, and instructions associated with one-visit episodes," the agency assures providers.

- Outlier changes will be effective for one year.

Efforts to decrease fraud by reducing and capping outlier payments did not change from the proposed rule. "Few HHAs would be negatively impacted with the change," the National Association for Home Care & Hospice predicts.

- The quality data available on Home Health

Compare will increase. In CY 2010, CMS "will publicly report 12 nationally accepted and approved quality measures plus 13 new process measures," CMS announced in the update.

- The Consumer Assessment of Healthcare Providers and Systems Home Health Care Survey (HHCAHPS) will begin in 2010. But CMS will delay linking the data to the annual payment update from CY 2011 to CY 2012.

Note: For more information and analysis of the final PPS rule, see Eli's OASIS Alert.