

Long-Term Care Survey Alert

MDS & Compliance News to Use

The RUG-III Hybrid is no more. Congress passed legislation in December that repealed the Affordable Care Act-required RUG-III hybrid, which incorporated aspects of RUG-IV (limitation on concurrent therapy and elimination of the hospital lookback for payment purposes). The hybrid was supposed to go into effect on Oct. 1 for the fiscal 2011 year, with RUG-IV implementation set for Oct. 1, 2011.

But in anticipation of Congress potentially repealing the provision, CMS went ahead and rolled out the RUG-IV on Oct. 1, with plans to develop a hybrid payment system and retroactively adjust SNFs' payments. Now the agency won't have to, said a CMS official at the December 2010 SNF/LTC Open Door Forum.

CMS continues to fine-tune and explain the MDS 3.0 and RUG-IV system. In a November provider call, CMS' **Thomas Dudley** addressed questions about how to code a pressure ulcer previously identified as present on admission when the resident goes back to the hospital and is readmitted with the pressure ulcer unchanged.

The MDS 3.0 RAI User's Manual states: "If a resident who has a pressure ulcer is hospitalized and returns with that pressure ulcer at the same stage, the pressure ulcer should not be coded as 'present on admission' because it was present at the facility prior to the hospitalization."

Reasoning: Dudley noted that CMS is looking to trend the pressure ulcer data over time rather than just looking at a single assessment. He also noted that CMS "is looking at what happens not only in the nursing home but [also] ... in the hospital and other care settings."

During the provider call, CMS officials have also clarified that you can't code isolation or quarantine for an active infectious disease at O0100M unless the resident is in a single room by himself. A caller asked if facilities are still allowed to cohort patients with like infections (such as C. difficile), which the Centers for Disease Control & Prevention guidelines allow you to do.

A CMS staffer's answer: "You can cohort but if you cohort you can't code it on their assessments as isolation."

Don't forget to check the HHS Office of Inspector General's exclusion list before you hire new employees, or you could wind up in the same expensive boat as American Senior Communities in Indianapolis. The nursing and rehabilitative care provider ponied up \$376,000 in civil money penalties to the OIG for employing seven excluded individuals, the OIG says in a release.

ASC might have gotten off lighter if it had discovered and reported the problem itself. "Providers self-disclosing such violations will ultimately pay lower settlement amounts," **Lewis Morris**, Chief Counsel to the OIG, says in a release. "But in cases initiated by the government -- such as this one -- providers will, as a matter of course, be required to pay more to resolve the matter."

Remember contractors: The exclusion list applies to contractors too, the OIG reminds providers.

You can check the exclusion list at <http://oig.hhs.gov/fraud/exclusions.asp>.