

MDS Alert

Industry News to Use: Know When You Can Begin Reclassifying Residents Into A RUG-IV Therapy Group

Plus: OIG is studying nursing facilities' abuse/neglect reporting.

Oct. 1 appears to be the magic date for when you can start taking advantage of the new policy change involving reclassifying residents from a non-therapy to a therapy RUG-IV.

The **Centers for Medicare & Medicaid Services** (CMS) recently released a transition policy memo regarding the revision to Change of Therapy (COT) Other Medicare Required Assessment (OMRA) completion requirements (www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/Downloads/FY_2015_Transition_Memo.pdf).

According to the memo, the COT OMRA that you use to reclassify a resident into a RUG-IV therapy group from a RUG-IV non-therapy group must have an Assessment Reference Date (ARD) set for on or after Oct. 1, 2014.

Background: This policy change came about as part of the recently released Fiscal Year (FY) 2015 Skilled Nursing Facility (SNF) Prospective Payment System (PPS) Final Rule. In the rule, CMS revised its policy regarding resident reclassification from a RUG-IV non-therapy group to a RUG-IV therapy group.

Now you can complete a COT OMRA for a resident who is not currently classified into a RUG-IV therapy group or receiving a level of therapy sufficient for classification into a RUG-IV therapy group.

Caveat: You can reclassify such residents only in certain situations, however. The resident must have qualified for a RUG-IV therapy group on a prior assessment during his current Medicare Part A stay, according to CMS. Also, the resident must have had no discontinuation of therapy services between day one of the COT observation period for the COT OMRA that classified the resident into his current non-therapy RUG-IV group and the ARD of the COT OMRA that reclassified him into a RUG-IV therapy group.