

## MDS Alert

### MEDICAID: Check Out The Case-Mix States

**Three have case-mix systems of a different feather.**

You have more than a 50 percent chance of being in a Medicaid case-mix state -- and those odds will likely grow as more states adopt this reimbursement approach.

There are about 26 states that use MDS-based RUG-III case-mix systems, according to **Carol Job, RN**, board chair for the **American Association of Nurse Assessment Coordinators** and a consultant with **Myers & Stauffer** in Topeka, KS. "Most of the Medicaid states use RUG-34 versus 53," she adds.

#### 3 Case-Mix States of a Different Feather

New York uses RUG-II and the Patient Review Instrument, although the state is in a two-year transition to the RUG-III, which is the MDS system, says **Patrick Cucinelli**, financial policy analyst for the **New York Association of Homes & Services for the Aging**.

Texas currently uses the TILE system, which is based "roughly" on an earlier version of the RUG system, says **Tom Plowman**, spokesman for the **Texas Health Care Association**. But the "short answer" is that Texas is moving to an MDS-based RUG-III system. The state projects it may be in place by September 2008, he adds, "but we have a lot of work to do" to make that happen.

In addition, on Jan. 1, Illinois implemented an MDS-based reimbursement system to determine the nursing component of the facility's Medicaid rate, says **Marilyn Mines, RN, RAC-C, BC**, director of clinical services with **FR&R Healthcare Consulting** in Deerfield, IL. Fifty-one "reimbursable MDS items" are assigned minutes for one or more staff types, including unlicensed, licensed, social worker and activities, Mines explains.

"These reimbursable areas are very different than any RUG calculation for PPS or other state Medicaid systems," says Mines.

Following is the list of MDS/RUG-based case-mix states as of December 2006:

Colorado  
Georgia  
Hawaii  
Idaho  
Iowa  
Indiana  
Kansas  
Kentucky  
Louisiana  
Maine  
Minnesota  
Mississippi  
Montana  
Nebraska  
Nevada  
New Hampshire



North Carolina  
North Dakota  
Ohio  
Pennsylvania  
South Dakota  
Utah  
Vermont  
Virginia  
Washington  
West Virginia