

MDS Alert

Medicare: Bill Not Until You Have Done This

CMS has changed its stance on default rates.

If you forget to do an MDS, you can simply bill Medicare at the default rate for the days covered by the assessment, right?

Not according to recent transmittals issued by the **Centers for Medicare & Medicaid Services**. Transmittals 196 and 1252 state that the facility must submit an MDS that's accepted into the state repository before billing the Medicare program, observes **Ronald Orth, RN, NHA, CPC, RAC-CT**, president of **Clinical Reimbursement Solutions LLC** in Milwaukee.

"More specifically, Transmittal 196 says there are only two situations where you can bill the default rate without an MDS," Orth adds. One is when you did not do a 5-day MDS for a resident who is discharged or expires on or prior to day eight of the SNF admission. The other one is in "demand bill situations where the facility doesn't continue the PPS scheduled assessments," Orth adds.

In the past, however, SNFs "have always billed the default rate for time periods associated with an MDS" that wasn't done, Orth says.

"The interpretation was that you could bill the default rate if an MDS was not completed for whatever reason," agrees **Marilyn Mines, RN, RAC-C, BC**, director of clinical services for **FR&R Healthcare Consulting** in Deerfield, IL.

Example: In the past, suppose staff realized on day 35 of a SNF resident's stay that they did not complete a 14-day PPS assessment, Orth says. The facility would bill the default rate for days 15 to 30. "Now CMS is saying that's not appropriate," he adds.

Instead: You have to complete the late MDS using a current assessment reference date and transmit it before billing the default rate. If the resident has been gone from the facility more than seven days, you won't have information to code the MDS for the lookback, Orth notes.

Survival strategies: "If you missed an MDS and the resident is still in the building, do the MDS until CMS provides further clarification on this issue," counsels Orth.

"To prevent a missed assessment, monitor your assessment schedule very closely," Orth advises. And "as part of your weekly Medicare meetings, verify that all the assessments have been done and that the team is up to date."

Watch for warning messages from the state in real time showing an out-of-sequence assessment, Orth adds. "The key is to make sure the team didn't miss any assessments as the cause of the warning message."

Good question: What if you did a timely MDS but somehow never transmitted it? In that case, just transmit it before billing, advises Orth.

You can bill for SNF services for up to two years. The billing goes from the first day of CMS' fiscal year, which is Oct. 1, through the end of the year two years later, says Mines.

CMS Reconsidering Its Position

Orth notes that CMS' current stance on billing the default rate contradicts two FIs' SNF manuals he has reviewed, as well as "MDS Web-based training the agency has in place," all of which state that "if you haven't completed an assessment, bill the default rate for those days."

Stay tuned: CMS says it is still reviewing the issue and hopes to address the concern at an upcoming open door forum or by e-mail, Orth says.