

MDS Alert

Medicare Billing: Make Sure You're At Fault Before You Take The Default Rate

There's only one reason to dock your RUG payment.

If you don't finish the MDS or transmit it on time, your SNF may have a cash flow or survey issue on its hands, but it doesn't need to cry mea culpa in the payment arena.

In fact, the only time the facility has to take the default rate occurs when the MDS's assessment reference date (ARD) falls outside the acceptable assessment window for that assessment, emphasizes **Marilyn Mines, RN, BC**, director of clinical services for **FR&R Healthcare Consulting** in Deerfield, IL.

Yet some nursing facilities believe they must bill the default rate if they don't have the MDS finished and/or transmitted by the assessment reference date, Mines notes. As a result, the MDS team may rush to submit an assessment that ends up riddled with errors, she says.

(Editor's note: To review deadlines for completing and transmitting the MDS, see the RAI assessment schedule in chapter 2 of the RAI manual at www.cms.hhs.gov/quality/mds20/rai1202ch2.pdf,p.22.)

Prevent F Tags, Sagging Bottom Line

A MDS with an ARD within the acceptable assessment window won't ding your RUG rate, but facilities that miss deadlines for completing or submitting assessments will jeopardize their facility's survey record and fiscal status. "State RAI coordinators reportedly monitor MDSs to detect facilities that complete or transmit the MDS late," says **Cindy MacQuarrie, MN, RN**, managing consultant with **BKD LLP** in Kansas City, MO.

Also, the facility isn't supposed to bill Medicare - and probably not MDS-driven Medicaid programs in most states - until the state database accepts the MDS, cautions **Nancy Augustine, MSN, RN**, a consultant with **LTCQ Inc.** in Lexington, MA. And while fiscal intermediaries don't yet have an edit to detect claims that lack an MDS in the state repository, they can easily detect the problem upon medical review, Augustine adds.

Check validation reports from the state to make sure the MDSs were submitted and accepted before the facility bills the days covered by that MDS, suggests Augustine. Include such audits in the facility's regular compliance program.