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MDS Alert

Medicare Payment: Take Steps So The New RUGs Don't Trip You Up

Ramp up now for the revamped RUG system

Starting Jan. 1, the RUGs will expand from the current 44 to 53, which means that SNFs that don't nail down how the nine new RUGs work now may suffer payment shortfalls in the future.

While the 53-RUG tree can appear daunting (see the Clip 'N' Save later in this issue), it actually has the same structure as the current RUG system with the addition of a new Rehabilitation plus Extensive Services category at the top.

Key: A resident who RUGs into one of the rehab groups and also meets the criteria for Extensive Services will go into one of the nine new groups.

To meet the criteria for Extensive Services, the resident has to have a total ADL score of 7 or more and receive one of the following services coded in Sections K or P:

- Parenteral/IV fluids (K5a)
- Intravenous medications (P1ac)
- Tracheostomy care (P1aj)
- Suctioning (P1ai)
- Ventilator or respirator (P1al)

Remember: While the assessment reference period for IV fluids coded at K5a is seven days, services coded in P1a have a 14-day lookback. And you can't code IV fluids at K5a or special care treatments at P1a if they were provided solely in conjunction with a surgical or diagnostic procedure or the immediate post-operative or post-procedure recovery period, says **Marilyn Mines, RN, BC**, with **FR&R Healthcare Consulting** in Deerfield, IL.

Keep Your Eye on the ADL Ball

An inaccurate ADL score that's off by a single point can cost your facility a Rehab plus Extensive Services RUG.

Undercoding ADLs can mean the resident receiving rehabilitation therapy and IV meds, as an example, won't RUG into one of new nine rehab/extensive services categories, cautions **Christine Twombly, RNAC**, with **Reingruber & Company** in St. Petersburg, FL.

The resident's total ADL score also provides an end split for the new categories, adds Twombly (see the 53-RUG tree later in this issue).

Don't forget: Missing that third instance of weight-bearing support or just one instance of a two-person physical assist during the seven-day lookback can mean the resident will end up missing out on a Rehab plus Extensive Services RUG.

Setting the ARD closer to the hospital lookback to capture IVs and other services for Extensive Services means you'll have a limited amount of time to capture ADLs, which can work for or against you, says Mines. "If the resident is total care (meaning he doesn't participate in any part of an ADL), you can capture that during a brief lookback" before the person becomes more independent.

"But if the resident has varying levels of dependence, you don't have as long to capture .... extensive assistance to code a '3' for self-performance," Mines notes.

Team Up With Rehab to Set the Best Assessment Reference Date

Under the current RUG system, many facilities don't pay much attention to capturing the hospital services on the 5-day MDS if they know the patient will RUG into a rehab group, notes **Patricia Boyer, RN, MSM**, with **BDO Healthcare Group** in Milwaukee. But the new system will require rehab and nursing to work closely to set an appropriate ARD. That way they can capture the highest intensity of service utilization so a resident who qualifies can go in one of the Rehab plus Extensive Services groups, Boyer explains.

Don't overlook the lookbacks: When setting the ARD, don't forget you have a 14-day lookback to capture IV meds, suctioning, trach care and ventilators--but only seven days for IV fluids. For example, the interdisciplinary team could set an ARD for the 5-day assessment of day 6, 7 or 8 to provide enough therapy to get a resident into very high or ultra high rehab, if he can tolerate it--and still capture one of the nursing services with a 14-day lookback for Extensive Services, notes **Pauline Franko, PT, MSCP**, principal of **Encompass Consulting and Education** in Tamarac, FL.

But if a rehab patient who received IV fluids in the hospital comes in to the SNF, the team may consider setting the ARD closer to the hospital stay.

Example: A resident admitted to the facility received IV fluids for dehydration in the hospital until two days before discharge to the SNF. The physician orders enough therapy to qualify the resident for high rehab. In this case, the team may want to set the ARD for the 5-day assessment earlier to capture the IV therapy--and then project the therapy minutes in Section T, says Boyer. "For example, you could set the ARD for day three because the resident only has to receive 65 minutes of actual therapy through the ARD if the projected therapy is at least eight days and 520 minutes through day 15," says Boyer.

Dot your I's, cross your T's for Section T: Anytime you project therapy minutes in Section T, document why the facility doesn't deliver the estimated therapy in a certain case--for example, if the resident became too ill to go to therapy one day or was out of the building unexpectedly for tests. One could expect residents not to receive the projected minutes occasionally but not as a pattern, cautions **Rena Shephard, RN, MHA, FACDONA,** president of **RRS Healthcare Consulting**
in San Diego.

The facility should have documentation of daily nursing observation and management of a resident who RUGs into Extensive Services based on services, such as IV fluids, provided in the hospital, advises **Julie Thurn-Favilla, RN**, a clinical consultant with the Minneapolis office of **LarsonAllen.**

Examples of documentation systems might include flow sheets for a review of systems and narrative notes where nurses document unstable vital signs, assessment for dehydration and respiratory status, etc., Thurn-Favilla adds.

Clinical tip: For residents who need more time to recuperate before jumping into more intense rehab, keep in mind that RMX (rehab medium plus Extensive Services) has a higher case mix index or CMI than an RHX (rehab high plus Extensive Services) and pays a higher rate.

Editor's note: To dispel the mystery of how case-mix index maximizing affects RUG selection and payment, see "The Resident RUGed Into What?!" in the December 2005 issue of MDS Alert.