MDS Alert

RAI Compliance: Validate Your Validation Reports To Show All Is Well With

3 strategies will help you avoid payment recoupments or worse.

Managing the MDS and billing process without staying on top of the validation reports from the state MDS system is a payment and compliance disaster waiting to happen.

In fact, one of the biggest mistakes consultant **Marilyn Mines, RN, RAC-C, BC**, sees SNFs make in the Medicare realm is to file away validation reports without identifying MDS assessments that have fatal errors, which means they weren't accepted by the state database.

The compliance bottom line: You aren't supposed to bill Medicare for an MDS that isn't in the state repository, cautions Mines, director of clinical service for **FR&R Healthcare Consulting** in Deerfield, IL. And FIs now have access to the state database and can see if an MDS was accepted before the SNF billed Part A (see "Have You Heard? CMS Is Revving Up Medical Review," MDS Alert, Vol. 5, No. 7).

Follow These Steps

1. Look at each final validation report, which you get from the same place that you transmit MDSs to the state, to identify and fix assessments with fatal errors.

Given that the state database won't accept an MDS assessment with a fatal error, you don't have to submit a correction to fix it, says **Christine Twombly, RN**, chief clinical consultant with **Reingruber & Company** in St. Petersburg, FL. All you have to do is fix what's wrong and resend the assessment. Then make sure it's accepted.

If you submit a correction, the state system will reject it because there's no MDS on file, she notes.

Also review warning messages. The MDS nurse should download and get to know the warning errors and which ones need to be corrected, advises **Nathan Lake, RN**, an MDS expert in Seattle.

Example: One warning message is 377 (record submitted late), says Lake. "If you are really late submitting, you see this error and live with it. If you don't believe you are late," check your calendar and dates on the MDS, he advises.

Also make sure there are no error messages related to the RUG score, advises Twombly.

If the MDS-generated RUG score doesn't match the one the state indicates on the validation report, use the latter RUG score for billing Medicare, Twombly says.

2. Give billing the green light to submit claims. The MDS staff has to let the billing department know that an MDS has been accepted by the state repository so it's OK to bill, Mines emphasizes.

"People have to realize" that's a compliance issue, Mines says.

The administrator should check the validation reports to ensure the MDS assessments are in the state database, advises **Rita Roedel, RN, MS**, national director of clinical reimbursement services for **Extendicare Health Services** in Milwaukee.

3. Keep the validation reports on file. The state system purges the final validation reports after a certain time frame. So if the FI or surveyors ask to see the reports, you need to have them at hand, says Twombly.

Excellent question: How long should you save the reports? Twombly says she's heard seven years "because that's how long the FI can do billing audits" on past claims.

Documentation gem: Survey consultant **Reta Underwood** recommends using the final validation report as a documentation tool. To do that, highlight with a marker all of the fatal errors and warning messages on each report.

Then by each fatal error and warning message, document what action you took -- for example, fixing a fatal error and resubmitting the MDS, she advises.

"Once you submit the next batch, put that validation report in a binder as proof that you have done what you said you were going to do," advises Underwood, president, **Consultants for Long Term Care** in Buckner, KY.

Editor's note: For tips on how to develop a quality assurance program for reviewing validation reports and other MDS reports to detect and address systemic problems, see the next MDS Alert.