

MDS Alert

TOOL: Take a Look at How Medicare Residents in RUG-III Would Fit Into RUG-IV

The change in distribution provides a wake-up call about shifting trends.

CMS provides a comparison chart below to show how the same MDS 2.0 data results in residents going into RUGs under the current system versus the RUG-IV system, which is set to go into effect on Oct. 1, 2010.

Caution: "CMS' comparison of the RUG-III to RUG-IV distributions for 2008 had to have included some assumptions in the calculation," says **Ron Orth, RN, NHA, CPC, RAC-MT**, president of Clinical Reimbursement Solutions LLC in Milwaukee. These include "the amount of concurrent therapy residents received and whether certain services were provided in the hospital lookback," he says. Thus Orth isn't sure how "totally accurate" the comparison is. "CMS is using the data to support that RUG-IV is budget neutral," although "whether it's budget neutral remains to be seen."

An alternative: To roughly estimate the impact of RUG-IV on their own SNF, "SNFs could use their own data and recalculate the RUGs based on the RUG-IV indicators," Orth suggests.

