

OASIS Alert

Documentation: Beware New RAC Home Care Reviews

How will claims be selected for medical necessity reviews?

Good documentation that supports the patient's need for the care your agency provides is essential to safeguarding your reimbursement. Prepare to see how your records stack up with two newly approved Medicare Recovery Audit Contractors issues. The MACs will now be looking at:

1. Home Health Medical Necessity and Conditions To Qualify For Services; and
2. Skilled Nurse Length of Stay.

Background: When the **Centers for Medicare & Medicaid Services** started the RAC program, the agency appointed four RAC contractors to implement it, and those companies must post new issues that CMS has approved them to investigate.

These companies include **Performant Recovery** (Region A), **CGI Technologies** (Region B), **Connolly Consulting Inc.** (Region C) and **HealthDataInsights** (Region D). You can visit each RAC's website to see where they're focusing their efforts. Prepay review on these topics will affect home health claims with dates of service Jan. 1, 2014 and later, CGI says. States affected so far are MI, IL, OH, PA, FL, TX, LA, NC, CA and MO.

Broad Audit Topic Could Snare Many HHAs

The medical necessity topic adopted by CGI, Connolly and HealthData Insights is very broad, experts point out. "These latest approved issues could be a problem," predicts **M. Aaron Little** with **BKD** in Springfield, Mo. "I wonder how the RACs will go about determining how to select claims for 'medical necessity' review?"

Remember: Once the RACs start looking at your claim, they'll check out everything including face-to-face documentation, technical items, etc.

"My guess is [this RAC topic] has come about because of the face-to-face denials," offers Chicago, Ill.-based regulatory consultant **Rebecca Friedman Zuber**.

For the medical necessity topic, "the medical record will be reviewed to validate that the Home Health services were both reasonable and medically necessary and that the patient met the conditions to qualify for home health services," the contractors say on their websites.

It's no surprise that this topic has drawn scrutiny, says consultant **Lynda Laff with Laff Associates** in Hilton Head Island, S.C. "Medical necessity and homebound status are the foundation for providing skilled home health care to begin with," Laff points out. "Many providers have failed to learn what constitutes skilled services and how to determine whether a patient qualifies for skilled services — meaning is there medical necessity for home health to provide those services." All providers must prove medical necessity, Laff notes. They may be more at risk of failing to do so if they have not had "tight clinical management" incorporating a Performance Improvement program that includes "routine and systematic audits" of visit documentation. The audits should determine whether there is evidence that the care provided supports the medical necessity for ongoing care, she says.

"These RAC audits didn't just come out of thin air, says," **Beth Johnson, MBA, BSN, RN, CRRN, HCS-D, HCS-O**, with **Johnson, Richards, & Associates**, in Brighton, Mich. "Chapter 7 of the Medicare Benefits Policy Manual was updated in early January with new language, especially at Section 40 that details medical necessity, skilled services, and what documentation is required to substantiate payment," Johnson says. Unfortunately, home health agencies are still submitting exactly the types of documentation CMS indicates as not sufficient to substantiate skilled care.

"For example terminology such as the following would not adequately describe the need for skilled care:

- Patient tolerated treatment well
- Caregiver instructed in medication management
- Continue with POC." (Section 40.1, Rev. 179, effective 01-07-14)

Risk area: An agency's IT documentation system could expose it to risk under this topic, too. Especially problematic are "those systems that allow the clinician to only mark checkboxes with no narrative explanation of actually what occurred on the visit to support skilled care," Laff warns.

"Electronic medical records are great. They help us share information across the continuum of care, prevent errors, standardize data collection, save time, and track

information about quality," Johnson says. "Unfortunately, agencies have come to rely on checkbox formats for care planning and ongoing visit notes, sometimes at the expense of more thorough demonstration of critical thinking skills."

"Too often I've seen abnormal vital signs or other clinical indicators (weight gain, increasing edema, abnormal blood sugars) documented with no evidence of communication to other team members or the physician," Johnson says. "It's essential that when we collect data we do something with it, meaning we synthesize and understand the significance of that data to the patient's overall condition."

RACs Explore Common Pitfall In O&A

"Due to the home health prospective payment system consisting of increased payment for late episodes of care, the incentive exists for home health agencies to provide skilled nursing services in the home longer than is considered medically necessary per Medicare guidelines," the RACs say. "Claims for nursing services into the third episode and after will be reviewed to determine if all Medicare coverage criteria were met."

It's hard to argue with this topic, experts agree. "Nursing visits that go into a third episode for observation and assessment probably should be looked at," Zuber acknowledges.

Tip: You may want to start reviewing relevant records to ensure you've billed properly. But keep in mind; if you start looking at records retrospectively and find any problems, you create additional obligations on yourself to self-disclose any wrongdoing.

Bottom line: "The amount of review that's going on right now is really wearying providers," Little tells **Eli**. "It's very costly and also exhausting trying to keep up on the review that's hitting them from so many different contractors."

Note: Each RAC has a list of CMS-approved audit issues. The latest home health topics are listed at <https://racb.cgi.com/Issues.aspx>, www.connolly.com/healthcare/pages/ApprovedIssues.aspx, and <https://racinfo.healthdatainsights.com/Public1/NewIssues.aspx>.